

**THE DEVELOPMENT OF AFRICAN PRIVATE ENTERPRISE**

**-DISCUSSION PAPER -**

**OFFICE OF REGIONAL AFFAIRS  
AFRICA BUREAU**

**AGENCY FOR INTERNATIONAL DEVELOPMENT**

**October 1981**

THE DEVELOPMENT OF AFRICAN PRIVATE ENTERPRISE

DISCUSSION PAPER

TABLE OF CONTENTS

	<u>Page No.</u>
I. Introduction and Background	1-5
II. Major Constraints and Possible Activity Options	
Introduction	6
A. Lack of Managerial Skills	7-8
1. National Extension Services to Small Businesses	8-9
2. Involvement of U.S. Private Sector	9-10
3. African Chambers of Commerce	10-12
4. U.S. Businesses and PVO's in Africa	12-15
5. Higher Level Training	15-17
6. Training for Women	17
B. Lack of Technical Skills	17-21
C. Lack of General Knowledge	21-24
D. Limited Capital	24-29
E. Host Government Policies, Practices and Ideologies	29-33
F. Market Size and Competition	33-42
G. Sociological Constraints	42-45
H. Physical Infrastructure	45-48
I. Force Majeure Constraints	49
III. Summary of Possible Project Activities	50-53
IV. Concluding Remarks	53-55

ANNEXES

(Volume II)

- A. Additional Background on Current and Past AID Funded African Private Enterprise Development (PED) Projects. This annex includes four tables listing the following:
1. Current PED Projects in Africa
  2. AID Funded Projects in Africa with Private Enterprise Components (1952 to present)
  3. African PED Projects for which OIU Computer Summaries are Available
- B. Relevant Centrally Funded AID Projects
- C. Description of PVO's Involved with PED in Africa
- D. Brief Descriptions of Pertinent Agencies and Programs
- E. List of African Management Training Institutions
- F. PED Projects Funded by AID, IBRD, UNDP, ILO and UNIDO (1974 to Present - By number per Country)
- G. List of Directories of Agencies Providing Technical Assistance to PED
- H. List of "Typical" African Businesses
- I. Bibliography
- J. Card Catalog Entries in AID Reference Library under African PED.

THIS PAPER WAS PREPARED FOR THE OFFICE OF REGIONAL AFFAIRS/AFRICA BUREAU, AGENCY FOR INTERNATIONAL DEVELOPMENT BY MARK G. WENTLING, A.I.D. PROJECT OFFICER, ROOM 3327-A NS, DEPARTMENT OF STATE (TELEPHONE 202-632-8964). THE VIEWS EXPRESSED DO NOT NECESSARILY REFLECT THOSE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

THE PURPOSE OF THIS PAPER IS TO PROVIDE THE BASIC INFORMATION NEEDED TO CONSIDER ACTIONS WHICH MIGHT BE UNDERTAKEN IN THE PRIVATE SECTOR IN AFRICA AND TO ELICIT SUGGESTIONS ON HOW THE AFRICA BUREAU MIGHT PROCEED WITH THE DESIGN OF A REGIONAL PRIVATE ENTERPRISE DEVELOPMENT PROJECT.

# THE DEVELOPMENT OF AFRICAN PRIVATE ENTERPRISE

## Discussion Paper

### I. Introduction:

This paper discusses constraints to the growth of private enterprise in Africa, past and current activities in this sector, and possible future actions which AID might undertake on a regional basis to stimulate private enterprise. Also considered is the possible role of the U.S. private sector in this effort. The paper is based on discussions of this subject within the Africa Bureau, research on private enterprise activities by AID and other donors, and on the views expressed by U.S. private sector representatives.

With the aim of stimulating further discussions and obtaining more information, it is intended that this paper be widely circulated for review within the Agency. A series of discussions of this paper will assist AFR/RA with the preparation of a PID for a regional project which will address one or more of the constraints limiting the growth of African private enterprise. The current project preparation schedule calls for a PID in January 1982; a final PP in August 1982; and a start of project early in fiscal year 1983.

Present concern over the continued slow growth of African economies has revived an interest in the important role private enterprise can play in the development process. It is becoming increasingly clear to donors and many of the African countries that not enough attention has been given to the promotion of private enterprise and that this has resulted in the underutilization of resources which could have contributed significantly to the achievement of more rapid economic progress. The failure of many state run economies to operate in a cost-effective and productive manner has only underscored the need for greater

private sector participation. Many African governments are beginning to realize that government activities alone cannot develop their countries and that if more rapid and equitable growth is to be achieved they must share the development burden with the private sector. In effect, there is now a greater realization that private enterprise is not only an indispensable resource for achieving economic development but that it can also be a means for accomplishing many social and economic goals.

Accepting the premise that the level and diversity of private enterprise involvement in a country's economy is an important determinant of the developmental stage of the country, the question may be asked why this sector has not received more emphasis from donors in the past. The fact is that AID and other donors have been very active in this field. AID alone has supported over 1,000 projects which involved reinforcing the private enterprise sector in 75 countries during the past 20 years. Owing to their more attractive economic environments, Asia and Latin America have been the largest recipients of such assistance. The Africa region's lower potential for private enterprise development (PED) caused it to have the fewest and smallest projects; however, there has not been the sharp decline in the number of PED projects in Africa as there has been in the other regions since 1974. This was the year that the "New Directions" legislation of 1973 refocused AID's attention on the poor majority and meeting basic human needs. Although in some countries it was concluded that PED could be a vital element of a larger program to meet the objectives of the "New Directions" mandate, the requirement to concentrate resources on basic human needs usually meant that few resources remained to devote to PED.

Other factors contributing to the decline of PED projects were the mixed results of earlier efforts and the heavy administrative and management burdens of such projects. In general, PED projects take more time and specialized staff per beneficiary to prepare and implement than many other types of projects. This heavy, long-term resource requirement has resulted in the abandonment of many projects by donors before their full benefits could be realized. In spite of these restraints and others described in this paper, it now appears that donors are becoming convinced that a better balance can be struck in development if more attention is paid to the important role of private enterprise.

Regarding the Africa region, a review of AID's history in this program area reveals that in the Agency's initial years the importance of African private enterprise and the role of the U.S. private sector in assisting with its development were readily recognized. The sector was given priority attention in the 1960's by AID's old Office of Private Enterprise. One of the more notable African projects of the many efforts carried out by this Office was the African Private Enterprise Investment Opportunities Project. The July, 1969 final report of this two-year project identified 435 investment opportunities in 25 African countries. At the time of the final report, only 8 of these opportunities had been firmly committed to by U.S. investors. An analysis of AID's role in this project and of the reasons behind the low commitment on the part of 1,609 potential U.S. investors contacted under this project could be very important to current Africa Bureau efforts to involve the U.S. private sector in the development process. It is possible that the constraints described later in this paper were just as important then as they are now. In brief, the investment risks in Africa

greatly exceed the potential returns and there have been too few cases where this unattractive equation has been reversed. More than anything else, it is this fact which has suppressed interest in the private sector in Africa.

Other notable African PED projects include the eleven year (1961-1972) Nigeria Indigenous Industrial Development Project (620-0714) and the on-going Entente States: African Enterprise Project (625-0715) which began in 1972. Further information and background on these projects and other past and current efforts by AID to provide support to indigenous private enterprise are provided in annex A.

This brief introduction and referenced annexes hint at only a few of the many issues related to PED and current activities in this important field. This paper attempts to bring to light basic information needed to appreciate the complexity of factors which are involved in planning and implementing PED-type projects. This complexity makes it clear that although there are a wide range of factors which must be considered when planning a PED project, practical implementation requires that any individual project focus on a well defined set of constraints on the growth of promising African private enterprises. Ideally, this focus would be guided by an Agency wide private sector strategy paper and by the results of individual country assessments. However, even without this guidance, it is believed that sufficient general knowledge of the needs of African businesses and of the elements constraining potential growth in the African private sector exists to permit the planning of some initial efforts which could begin addressing some of these problems. Certainly, a definition of "needs" is required before project objectives and functions can be defined. The following section of this paper attempts to describe some of

the most obvious needs and constraints and to propose some activities which could be included in current project planning efforts.

II. Major Constraints and Possible Activity Options:

Nine constraints to the development of African private enterprise are presented below. They are discussed under separate headings, but it is recognized that all exist in close association and it is not possible to address any one area without fully considering the others. It is also recognized that the importance of these constraints and the kinds of actions needed to address them vary from country to country and according to the size and type of enterprise. Little attempt has been made to describe how these constraints interrelate or why they effect some enterprises in a different manner than others. These are questions which will require analysis under individual country private sector assessments that must be completed before project planning can take place.

The complexity of the private sector environment and the variety of situations found in individual countries make general program recommendations difficult. Appropriate project design will be dependent on the assessment of the particular circumstances of a given country. It is therefore clear that one activity which must be supported under any project which may be proposed is the completion of private sector assessments and strategy papers for each country selected for PED programs.\*

## Best Available Copy

---

\*Relevant guidance for doing such assessments can be found in the Agribusiness and Rural Enterprise Project Analysis Manual, DSB/Agriculture, AID, July 1980. See also the work commissioned by USAID Senegal as part of its effort to elaborate its Rural Private Sector Development Project (685-0252).

## Best Available Copy

### A. Lack of Managerial Skills:

One of the most important constraints on the development of African economies is the lack of indigenous entrepreneurial talent and managerial skills. It has been argued that "entrepreneurs" can't be produced by training programs because the special economic aptitudes and motivations which a true entrepreneur must possess are not things which can be taught. This raises a problem of definition which must be resolved before actual or potential entrepreneurs can be identified for participation in programs aimed at improving their skills and productivity. Initially, the best policy would probably be to concentrate project resources on those people who have already proven themselves in business and who show promise for expanding their efforts. Part of the job of an initial private sector sector assessment would be to identify priority commercial activity areas and a sampling of indigenous business people who are successful in these areas. Once this is accomplished an analysis of the individual and his/her business could be undertaken to determine what kind of skill training and other resources are required to accelerate business growth. Once the skill needs have been defined and the required task analysis has been completed appropriate training programs can then be elaborated.

It can be expected that the skills most lacking will be in the areas of financial management and business organization including such basic skills as bookkeeping, inventory control and office layout. A major problem encountered here is that courses on many of these subjects require basic literacy and numerical skills that many African entrepreneurs do not have. Consequently, a decision will have to be made whether to include basic literacy and numeracy as eligibility criteria for any training activities. Experience has shown in

Africa that although there is no correlation between high level training and entrepreneurial success there is a correlation between basic literacy and numerical skills and business success.

The low formal educational level of most African entrepreneurs means that existing institutional management training programs are far too sophisticated for them. Although the training needs will vary according to the size and type of the enterprise, it can be expected that it will be necessary in many cases to elaborate basic business training curricula which these entrepreneurs can follow at their places of work. Such "on site" programs will require competent people (African and non-Africans) with practical business experience who can serve as teachers and advisors.

1. National Extension Services to Small Businesses:

One strategy for providing needed training would be to identify, in each recipient country, a business-oriented entity such as the local Chamber of Commerce. Trained agents would work out of these entities and assist with the development of systematic outreach programs of practical business advisory and training services.

One obvious need would be for the development of training programs which would recruit and prepare Africans with appropriate backgrounds for assignments as business extension agents. PAID (Pan African Institute for Development) and ESAMI (East and Southern Africa Management Institute) come readily to mind as two African Institutions which could be provided help with preparing such training programs. An important element of these programs will be the establishment of an organizational network which permits for systematic

follow-up and refresher training of course graduates. Training of those in charge of the local entities would also be required.

It is obvious that the "quality" of the agents engaged is of crucial importance to the success of this strategy. Also, it is imperative that the quality of services delivered by the agents be "good enough" to prompt participating entrepreneurs to pay for the services. The collection of service fees would be necessary to make these programs more meaningful and self-supporting.

## 2. Involvement of the U.S. Private Sector:

There will probably be a need to employ PVO's, consulting firms, etc. to assist African institutions with the development of training programs and the initial implementation of these business extension service programs.\* Given the need to involve people who have practical business experience and the desire to promote greater contact between the private sectors of the United States and Africa, it would be desirable to work out some arrangement whereby assistance with these programs could be obtained from U.S. firms. If, as mentioned above, the local Chamber of Commerce becomes the base of the extension service envisioned here, it makes sense to try to involve the U.S. Chamber of Commerce.

Perhaps a good approach would be to request that the U.S. Chamber of Commerce solicit its members to see which ones would be interested in participating on

\*See Annex C for description of PVO's working in PED in Africa and some of the problems they face.

an ad hoc advisory committee for a selected country. The members of this committee could then draw upon the firms they represent to provide services required for project implementation. Actually, such committees should be set up as early as possible in the project process in order to allow for their participation in the preliminary project planning and activity preparation phases. Also early establishment of these committees would permit doing an inventory of the resources and interests of the participating firms. All these efforts will probably require AID funding; consequently, any questions concerning the appropriateness of AID funding activities with the U.S. private sector and whether or not this kind of activity conflicts with those of other U.S. agencies engaged in this field need to be examined at the pre-project state. In this regard, it would perhaps be of some help if AID had a clearer legislative mandate to work in this field.

### 3. African Chambers of Commerce:

Given that officially sanctioned Chambers of Commerce exist in all the African countries and that many of them are in dire need of assistance, the use of the Chamber of Commerce network is attractive. An entire project could be built around the strengthening of the local C of C's capacity to provide services to the indigenous private sector. As indicated above, the use of local C of C's provides opportunities for linking up with the U.S. private sector through the involvement of the U.S. Chamber of Commerce. Also regional organizations such as the Federation of West African Chambers of Commerce (perhaps links with ECOWAS could be developed here) could provide an inter-country framework within which an AID funded project could work. (It has been suggested that a similar federation be created in East Africa.)

It is noteworthy that the International Chamber of Commerce (the ICC is headquartered in Paris) is increasingly giving priority to involving local C of C's with development issues. This was evidenced by the theme of its 1979 annual conference in Abidjan: "Development and Entrepreneurs in Developing Countries - The Business Approach to the Optimum Use of Capital and Manpower." Also the ICC and International Trade Center operated by UNCTAD/GATT in Geneva are working together to prepare training programs for C of C personnel. It was recommended at the 1979 UNCTAD/GATTs "International Symposium on Technical Cooperation with National Chambers of Commerce" that these programs include courses on cooperation between chambers in developing countries, activities of relevant international organizations, customs regulations, taxation, accounting, trade promotion and on the techniques of negotiating and consultation with governments on business matters. In this same symposium a need was also expressed, among others, by participant developing country C of C's (14 sub-saharan African countries were represented) for assistance with the organization of trade and economic missions. These are just a few examples of the kind of worthy activities AID could support in collaboration with the U.S. C of C and its members which would be of direct benefit to the private sector.

It appears that AID could play an instrumental role in bringing together the chambers of commerce of the U.S. with those of Africa. France has already done this by establishing the "Conference Permanente des Compagnies Consulaires Africaines et Francaises" (based in Dakar) which groups the chambers of twelve African countries with chambers in France. Bi-lateral U.S. business advisory councils have been organized by the U.S. C of C for

commercially attractive countries like Sudan, Nigeria and Zimbabwe and it is likely that, with encouragement from AID some of the U.S. C of C's 150,000 members could be tapped for forging beneficial links with additional African countries.

An AID-Chamber of Commerce collaborative effort could be the kind of novel, creative approach that is needed. There would probably have to be, however, some consultation undertaken with the Department of Commerce to assure that AID was not duplicating any of its efforts and to solicit its cooperation with any project of this type. In these times of constricted budgets and staffs the combining of the resources of the Department of Commerce and AID may be an appropriate strategy to follow. Also, collaboration with the C of C would probably involve some coordination with the Trade and Development Program (TDP).<sup>\*</sup> Of course, U.S. country missions of those countries targeted for this kind of assistance would have to be involved at every step.

#### 4. U.S. Businesses and PVO's in Africa:

In regard to the participation of U.S. firms with training activities, a key element could be working with those U.S. firms already doing business in Africa. The Department of State (EPS/AFR) is currently compiling a list of those U.S. firms with interests in Africa. Also, Cooper/Lang Communications, Inc. plans to publish in October, 1981 a comprehensive "African/American Directory" of American business interests in Africa. These references should be utilized with the aim of identifying U.S. firms in Africa which are already

---

<sup>\*</sup>See Annex D for information on TDP and other relevant U.S. agencies and programs.



countries, the best approach may be one where AID supports many different groups at once. The message that AID is interested in supporting viable PED efforts needs to be relayed to potentially concerned groups, U.S. based and indigenous. AID needs to be prepared to handle the project proposals that the delivering of such a message would generate. Project proposal criteria and standards would need to be set and administrative mechanisms established.

AID should be prepared to work with all groups - public and private; profit or non-profit; religious groups; multinational firms; international organizations; the Lions and Rotary Clubs; etc. which are sincerely endeavoring to strengthen the private sector in Africa. This could mean working with groups similar to the National Christian Council of Kenya, which AID supported with a \$270,000 grant in FY 1980 (Kenya: Small Scale Enterprise Development, 698-041). This project was one of six informal sector projects provided assistance under the PISCES (Program for Investment in the Small Capital Enterprises Sector) component of ST/UD's Small Enterprise Approaches to Employment project (931-1090). Much of the content of this project was based on the document "Program for Investment in the Small Enterprise Sector -- Africa" that was prepared by ST/UD. This project is another example of a relevant, AID funded activity which should be reviewed before designing similar projects.\* Providing support to these kinds of organizations and projects will perhaps require an increased use of an AIP type mechanism where AID administrative requirements are reduced to the barest minimum. Also the guidelines for the AID financed

---

\*See Annex B for more information on other relevant S and T projects.

Ambassadors Self-Help fund and the regulations concerning the use of PL 480 counterpart funds might be broadened to include consideration of PED projects by individual missions.

Another example of an AID effort to promote the training of African business managers has been the support it has given the Afro-American Purchasing Center, Inc. (AAPC) to develop and organize itself. AID provided several cash grants to this New York based firm and in 1976 AAPC was given a privileged position by its inclusion in AID Handbook 15, pages 5-6/5-9 as an approved purchasing agent. According to the handbook, one of AAPC's major functions is "to provide training for African nationals in order to improve their countries procurement capabilities." The training could include "classroom education followed by practical on-the-job training at AAPC in New York and also at manufacturing, financial and freight forwarding companies at convenient locations in the U.S." Perhaps the AAPC experience should be reviewed and a decision made as to whether or not expanded U.S. based practical training efforts of this type should be supported. AAPC is probably just one of the many private and public organizations in the United States which could carry out such training activities.

##### 5. Higher Level Training:

Although most of the above has focused on the training of small and medium size enterprise (SME) personnel, there will be cases where supporting the training of personnel from large enterprise will be warranted. This may include activities to reinforce the business management programs of national and regional institutions of higher learning and the training programs offered by

# Best Available Copy

development banks such as the African Development Bank in Africa. AID should definitely set aside a certain number of places in the scholarship programs it supports for Africans from the private sector and those private companies which have the means to do so should be encouraged to fund scholarships for their employees.

An effort should be made to not only train more Africans at the university level but to follow up in a systematic way on those so trained in order to assure that they are practicing what they learned. In this regard, one project activity might be to identify and follow up on former African graduates from U.S. business schools. Some of these people might be candidates for receiving support to develop or expand their own businesses. U.S. business schools could participate in this area and the feedback received from former students could be used to help U.S. universities develop programs more appropriate for the African student. Such programs could include practical experience with firms working in the same field as the students, sponsoring student visits to firms and organizations which would be useful contacts after the student has returned home - and organizing symposiums for old and current students on the subject of PED in the development process.

Of special interest in this level of training is the work being done under the Francophone Management Training Program at the University of Pittsburgh and the "Fund for Management Education in Africa" supported by a consortium of five universities (led by The Wharton School of Finance and Commerce, University of Pennsylvania) and 15-20 U.S. companies. This fund, established in 1978, collaborates closely with the Economic Commission for Africa (ECA) effort to create sub-regional graduate schools of management and finance in Africa.

It might be worthwhile to review the progress made since these effort were reported on in a Harvard Business School Report, "Management Education Needs and Resources in East and West Africa," October, 1979. This report also mentions an Economic Community of West African States (ECOWAS) proposal to create a Bilingual Institute of Management which should be followed up on. A useful reference in this area is the recent list of African institutions for Management Training recently compiled for AFR/DP (see Annex E).

6. Training for Women:

All training activities will have to establish selection criteria which will be equitable to all segments of the population. Particular attention will have to be paid to include promising female entrepreneurs (entrepreneuses). In many African countries women are very active in the private sector where they have traditionally played a dominant role in trade and marketing circles. However, there is a tendency to neglect the past entrepreneurial contributions and present talents of women as African businesses make the transition from the traditional phase to a more modern phase. Much of this tendency is probably due to the business role model provided by the European colonial powers. In this model women were always absent from modern business affairs. Consequently, by excluding women from modern business affairs, Africans are only practicing the custom of those from whom they initially learned how to do such business. This is another case where "modern" practice has resulted in the underutilization of a population group which, in many cases, would have been a more appropriate group to have worked with.

B. Lack of Technical Skills:

Closely related to the lack of managerial skills is the prevalent lack of

product or service. These skills are often such basic ones as typing, welding, carpentry, mechanics, electrical work, etc. Sometimes the fault is not so much with the individual worker but with antiquated tools and equipment he/she works with. All such tools and equipment are usually imported and, consequently, they are expensive to replace and repair, and work stoppages often result because of the time required to acquire parts or replacement items. Frequently, new model equipment is different from the old and workers begin manipulating this equipment without proper training. This results in poor equipment maintenance which is costly in terms of down time and shortened life span. An entire program could be developed around training people to use and properly maintain tools and equipment. This problem alone contributes greatly to the underutilization of private enterprise capacity. Certainly, PED projects should focus on existing firms which are not fully utilizing their actual resources. There probably would be little need for new office and plant space in Africa if all the existing capacity was efficiently used.

Any program which aims to improve technical skills will have to deal with the rigid apprenticeship system which is prevalent in much of Africa. This system usually entails that a person serve a number of years in a state of servitude to a skilled person before he or she can begin work on their own. This is the only way for most lowly educated people to learn a trade or skill. Those who have sufficient educational background can go to formal schools to learn these things. Since almost all of these schools are government owned, the people graduating from them are usually required to work for the government. It is in this way that the public sector corners the best trained people (this applies to all fields) while the deprived private sector is left with those who

could not make the grade. The problem here is that many of those who are forced to leave school early are "too educated" to become apprentices and yet not educated enough to gain employment. There is a vast pool of unemployed Africans who fall into this unhappy category. The shortages of trained personnel in Africa would be less critical if the educational system which rejected these people could be adapted in a way that the "discard" of many of these valuable human resources would not be necessary.

In general, most African entrepreneurs have inherited family businesses and the knowledge which goes with it or they have learned their trade by working in government or expatriate firms. This situation means that their technical skill levels stagnate at about where they are when their businesses were started. With the passage of time, this usually leads to low labor productivity, poor standards of workmanship and the inability to work according to a new set of specifications. It is in this area of improving production techniques that many African entrepreneurs need assistance. Such assistance should concentrate on basic skills; the transfer of more sophisticated technology should be considered only after it has been ascertained that the proposed technology can be maintained and that it does not reduce employment levels. In short, improved technology is desirable only if it creates more jobs as well as increasing productivity. This employment/output conflict poses a formidable challenge to efforts to modernize the African private sector.

A decision on what kind of technical training is needed will again depend on the individual country's private sector assessment. This assessment should identify those private firms which should be given priority attention. Once

these firms have been identified an in-depth analysis of each will have to be performed to see, among other things, what its training needs are. It is only when these needs are defined at this level that programs can be devised. It is expected that most training will be "tailor made" and take place at the business sites; therefore, a large number of training personnel will be required if a large number of firms are to be assisted. Businesses should normally pay a fee for training services.

In francophone Africa an organization which probably provides the best example of this kind of "hands on" training is the "Association pou la Formation des Cadres de l 'Industrie et de l'Administration" (AFCA). This organization has been providing specially tailored training programs to African enterprises in 7-8 countries since 1962. It receives about 15% of its support from the French-government and the balance from fees it charges its clients. Presently, AFCA is seeking funding to expand its operations and it has approached AID and other donors. Mr. Jean Bernard Payet, Director of AFCA, met with AFR/RA and AA/AFR on July 8, 1981 and as a result of this meeting it is expected that he will submit an informal proposal.

An AID supported organization which has worked in both francophone and anglophone Africa in the area of vocational skills training is Opportunities Industrialization Centers International (OICI). An evaluation of OICI's efforts in Africa might be helpful in planning further activities in this area. The Booker T. Washington foundation's experience with a "Small Business Training" project in Cameroon should also be reviewed. Also the work of the Appropriate Technology Institute (ATI) may be relevant. However, before providing support to expatriate groups,

a careful survey of each country's existing and potential capacity for technical training should be undertaken. With a little assistance there may be local entities which could be interested in providing this kind of training. An important factor here would be to get African entrepreneurs committed to using such facilities to upgrade the skills of their employees. Finally, perhaps the easiest place for U.S. firms to provide assistance to African entrepreneurs is in the technical skills training area. The United States has a wealth of resources in this area and the opportunities for collaboration will have to be explored following the completion of country assessments and the establishment of country specific U.S. business advisory councils.

C. Lack of General Knowledge:

Closely related to the need for managerial and technical skill training is the lack of general knowledge that often stifles the growth of private African enterprise. There are many promotional and educational activities which could be undertaken by a local business extension service which would stimulate increased entrepreneurship. These activities range from periodic group discussions, seminars or symposiums designed to provide useful information and to encourage a more progressive, dynamic entrepreneurial attitude to the on-going implementation of practical assistance services.

Advisory service activities could include providing advice and information on the following: Trade and investment opportunities; current host government policies, laws and regulations; supply sources, new products and technology; available banking and credit services; pertinent training and educational opportunities; marketing data; general business risks and constraints; and relevant national and international organizations. Examples of the kinds of

practical assistance which could be provided are: The obtaining and completion of required government forms; completion of loan applications; calculation of taxes, custom fees, credit terms and shipping costs; equipment specifications; pricing analyses; drafting of correspondence; accounting system reviews and audits; preparation of contracts and bids; payroll and social security computation; opening of bank accounts; problem management counselling; new venture feasibility analyses; and legal aid. Given that most small African entrepreneurs are at best semi-literate and are usually unaware of the possibilities and constraints which exist in their own locality or country, the provision of such advisory and management counselling services would be very helpful to them.

A business promotion and extension service organization could maintain a library of relevant documents and periodicals. It could also assist visiting business people and explain to local entrepreneurs the business practices of other countries. It could arrange for the exchange of data between different firms within a country and with overseas firms. This effort to inform local entrepreneurs of what other firms are doing could lead to desirable cooperative arrangements or mergers which would reduce the high amount of business fragmentation in Africa. This service could also play an important role in encouraging the formation of trade and business associations in certain fields (e.g., construction, transport). The creation of such viable association units would facilitate the development of links with similar organizations and interested firms in the United States and elsewhere.

Another vital function would be to serve as a liaison with appropriate credit and training institutions and other organizations which the entrepreneur could draw

upon for assistance. The identification of worthy entrepreneurs and firms for referral to these other entities would also be an important task which could be performed. The success of such a liaison role would depend upon the building of a good reputation which gains the trust of not only the other agencies involved but of the entrepreneurs as well. The gaining of such confidence will require maintaining close and continuing contacts with the entrepreneurs and the other agencies concerned with the private sector.

Already it is easy to see that there is more to do than any one advisory service probably could do. It will require a concerted and coordinated effort on the part of a lot of different host country agencies and the donors to carry out an effective advisory service program. One problem is that in some African countries there are already many organizations working in this field and there is little communication between them. In an effort to coordinate these various efforts some countries have established centers for providing assistance to SME's (e.g., Cameroon's and Togo's Centre d' Assistance aux Petites et Moyennes Enterprises). An evaluation of the performance of such centers should be undertaken as part of a country's private sector assessment and as a prerequisite to providing support in this area. Of special importance here will be analyzing the options to providing support to the Chamber of Commerce (as proposed earlier) to augment its role in this vital area. It may be that AID's support should be directed to other, more viable agencies at work in this field. The varied circumstances which exist in different countries will probably require the pursuit of a variety of options. However, the Chambers of Commerce with their regional and international links and history of doing many of the things mentioned above make them at the outset a very attractive option.

Also the recognized status the Chambers of Commerces have in many countries as the authorized representative of private business interests ensures that they will be able to negotiate directly with host governments for administrative and legal measures which favor the growth and development of private enterprise.

Whatever option is chosen, the resources required for organizing, funding and staffing of a private business promotion and advisory service center will have to be carefully determined and a decision made on the exact nature of the assistance AID could provide. The final result will probably relate more to AID's own capacity to provide assistance than anything else. Critical constraints here will be the availability of funds and personnel. In view of the long-term need for competent personnel (Africans and Americans) with successful backgrounds in business, the latter constraint may pose the most difficulty.

D. Limited Capital:

Historically, donor assistance to private enterprise has focused primarily on creating credit facilities for small and medium enterprises (SME). As a result of these efforts all African countries now have either special institutions devoted to providing credit at low interest rates to qualified SME's or have developed sections within their national development banks for this purpose. Also regional banks (e.g., AFDB, BOAD) and organizations (e.g., Entente Council, ECOWAS) have made efforts to provide services in this area. If donor support to those SME lending institutions already established is continued it appears that this is not an area which needs priority attention.

This is not to say, however, that the importance of projects which strengthen the capability of African institutions to provide credit to local entrepreneurs can be neglected. The timely availability of credit is a major constraint facing many entrepreneurs in Africa. Providing training and business advisory services are important activities, but it will be futile to work in these areas if credit is not available. Conversely, the amount of credit which can prudently be provided is limited if these services do not exist. It is this necessary linkage between credit, advisory services, training and fourthly, government policies which make involvement in the PED field so complicated. In effect, several complementary projects are needed at once.

In general, it appears that funds or in-kind credit can always be found for "good" SME development projects. The problem is that most African entrepreneurs are ill-equipped to prepare an acceptable request for a loan. This is often due to their inadequate managerial and technical skills which prevent them from providing sufficient justification for their requests. The preparation of loan requests and project proposals is definitely an area upon which training and advisory services should focus. Such efforts need to be complemented with measures which simplify the procedures and criteria used by lending institutions to make loans. The required paperwork should be streamlined to ease the entrepreneurs' access to credit, and policies must be adopted which favor genuine African entrepreneurs. To minimize the waste of loan funds, lending institutions and other collaborative agencies must have the ability to assess the capacity of the entrepreneur and to assist him/her to overcome potential bottlenecks to increasing his/her output.

Generally, expanding the operations of SME's involves higher risks than larger ventures. This, of course, results in SME's paying higher interest rates on borrowed funds. In recent years current commercial interest rates have become prohibitive for SME's and the only reason SME promotional activities have not come to a standstill is that host governments and donors have been willing to subsidize loans and guarantee repayment to lending institutions. Without this kind of leverage the incentive for African entrepreneurs to expand would probably be diminished.

There is a big need in Africa to provide incentives for local investors to invest their surplus funds into private enterprise. Usually, the wealthy Africans are reluctant to invest in concerns where there is any risk. The major investment area for many wealthy Africans is in building modern houses which can be lucratively rented to expatriates. In this way they are often able to recuperate their original investment within 3 years. The boom in private housing investment in many parts of Africa indicates that there are local financial resources available but that incentives to invest in more "risky" ventures are lacking. AID should assist host governments to develop incentive programs which will help "unlock" the significant amount of wealth possessed by certain elite groups in each country. Such incentives could include AID backed financial guarantees to host country nationals who invest in private enterprise. This is definitely a resource area which is being underutilized and poorly channeled in Africa.

In those countries where U.S. banks have branches or affiliates AID might want

**Best Available Copy**

to provide incentives to encourage these banks to make loans to local enterprises. Initially AID would probably have to provide funds for this purpose directly to the banks which would be totally responsible for administering the program within broad guidelines approved in advance by AID. This direct transfer of funds would cut down considerably on AID administrative burdens and would give the banks the flexible control they need to carry out a sound commercial lending program. Once the initial guidelines have been negotiated and the money allocated to the banks, AID's role would primarily be to audit and evaluate the use of its funds. This is probably the quickest and best way to get needed credit to worthy African private enterprises and to involve at the same time the U.S. private sector. Some questions here are: Is AID legally empowered to do this? Is funding available for such operation? Would this interfere with the operations of other U.S. agencies such as OPIC, EXIM Bank and TDP?\* It appears that in many African countries AID is in a better position to provide assistance to interested U.S. private sector representatives than any other U.S. agency. What are the services USAID mission can and should offer to U.S. business people? Formal coordination among U.S. agencies concerned with the promotion of trade and private sector development will need to be established to assure that there is no conflict of functions and that all are working together within a common strategy framework.

One cannot talk about the constraints posed by the limited availability of capital without making reference to general factors which contribute to making this a formidable constraint. All over Africa the high and rapidly growing

---

\*See Annex D for brief description of these and other U.S. Government programs.

national debt levels caused primarily by falling export earnings and, for the oil importing countries, higher fuel costs have many countries on the verge of economic bankruptcy. Some of the most promising countries (e.g., Sudan, Zaire) from the point of view of U.S. investment have had to reschedule their debt repayment plans. In the past decade average debt levels for sub-saharan countries have increased six fold and the cost of debt service has experienced an eight fold increase\*. For the oil importing countries, current account deficits increased from an average 2.4% of the GDP in 1970 to 9.4% in 1980. At the same time, the purchasing power of their exports declined at an average of 2.7% per year during the last decade. (The only exception to this has been the oil exporting countries.) The overall annual average growth of exports dropped from 5.3% in the decade of the 60's to (-1.6%) per year in the decade of the 70's. Africa's percentage of the fast growing world export market barely increased, from 4 to 5 percent, over the last decade. Africa produces only 0.2% of the world's manufactured goods, accounts for only 1.2% of the world's non-fuel exports and for only 9.2% of developing country exports. Thanks to oil exports from Nigeria the total value of exports (\$35.5 billion) from the sub-saharan region did exceed the total value of imports (\$29.0 billion) in 1980. This sampling of statistics gives evidence to the desperate financial straits most of the African countries find themselves. Much needs to be done to reverse this downward trend in economic growth in Africa. Already donors are providing an average of 1/3 of all public investment in Africa. More assistance is needed but it must be

---

\*Source of all statistics is the Unctad: 1980 Handbook on Trade Statistics

coupled with policy changes which emphasize private sector development. Advancement in this sector will not be easy. It is ironic that the economic problems which are stimulating a renewed interest in PED on the part of donors and host governments alike are also making this a most difficult time for the successful implementation of PED projects. Unfortunately, there appears to be little hope for business growth in Africa until a more favorable economic climate exists in Africa and the donor countries.

E. Host Government Policies, Practices and Ideologies:

Although many external factors stemming from changes in the world economy have contributed heavily to the slowing of economic growth in Africa, many important constraints on growth have been caused by the internal policies and practices the host governments apply to the private sector. Following independence many African governments sought to accelerate development by taking direct control over key enterprises. In general they believed such direct involvement was necessary to ensure the efficient use of resources and an equitable distribution of income, goods and services. They feared that if the economy was left in the hands of private entrepreneurs that a few would become rich at the expense of the poor masses. It was this fear that the private sector would not improve the plight of the poor and that it would ignore national social and economic goals which caused many governments to restrict the activities of the private sector. The economic failures of the past decade are now making it clear that these attempts by governments to consolidate political power and economic control by restricting private wealth and initiative have been a major cause of the deteriorating economic situation in their countries.

The urgency of the economic crisis faced by many governments is now forcing them to realize the error of neglecting the private sector and to re-examine the importance of the private sector to their development. There is a growing realization that the achievement of governmental development goals is highly dependent on an increased rate of growth of private sector output. Many governments are beginning to accept that development will be limited as long as entrepreneurial investment is primarily dependent on governmental decisions and as long as key segments of local economies are controlled by the state. This acceptance must be accompanied by a clearly enunciated commitment to making private enterprise promotion a basic objective of national development programs. Without this kind of high level commitment it will be very difficult to implement projects aimed at upgrading the private sector. Consequently, only those countries which have such a commitment should be considered for PED projects. Conversely, for those countries which do not have such policies, AID should work in concert with other donors to assist them to make desirable policy changes. In view of the critical importance of policy change to stimulating growth in the private sector, AID might want to consider linking assistance in other sectors with the requirement that policy reform be implemented in this area. Such linkage may require that AID be prepared to provide substantial long-term assistance which will help the countries over the critical period of policy and institutional reforms and prepare them for the time when the benefits of these reforms will be realized.

Some examples of major policy constraint areas which need attention in many

African countries are: taxes and subsidies; currency controls and values; custom regulations; price incentives for exports; import substitution schemes; protection of local industry; wage structure and employment criteria; incentives for local and foreign investment; import restrictions; and the role of parastatals. Part of the individual country assessment task would be to identify and analyze policy areas which are causing problems and to recommend changes which AID and other donors could support. Given the complexity of the issues involved here and their importance to the host government economy, it would perhaps be advisable to compose a high level group to carry out the examination of policies as a separate exercise. This group must have the respect of the host government and be in a position to report frankly on its conclusions. In this regard, and in view of the inter-country nature of many of these issues, perhaps it would be best to use personnel from one of the African regional institutions or organizations, (e.g., ECA, ECOWAS) to do this. ECA is presently soliciting AID support for studies in the private sector and it would probably not be difficult to add to these the country assessments AID needs to move forward with country specific private sector strategies. ECOWAS is currently struggling with how many of these policy issues can be handled within a regional context. It appears that the ECOWAS will be setting guidelines in many of these areas for their member countries to follow; consequently, policy reform efforts in these countries will probably require consultation with ECOWAS. Perhaps AID would want to assist ECOWAS with the development of private sector policy guidelines. ECOWAS' effort to regionalize policy formulation should have a positive impact on the private sector in West Africa; the significance of this should not be overlooked.

Although it may be difficult to involve the U.S. private sector directly with the study of policy reform, its representatives should be consulted throughout the assessment and policy formulation stage. Early in the process ad-hoc U.S. private sector committees should be organized for specific countries and they should be consulted to determine what country policies discourage the U.S. private sector from investing in that country. Host governments might be encouraged to adopt new policies if they knew that U.S. companies would invest in their countries if they did so; consequently, it would be helpful if early in the process U.S. companies could commit themselves to making investments pending changes in certain host government policies. Sometimes it may not be so much a policy change which is required but a change in the host government's negative attitude toward U.S. business. AID should strive to change such attitudes where they exist.

Many times it is not the lack of suitable policies which slows growth but the inability of governments to apply the policies they have in a efficient manner. Governments face many of the same managerial and organization constraints that were described earlier for the private sector. The workings of cumbersome, inefficient bureaucracies often are a sufficient obstacle to discourage many private entrepreneurs from attempting to satisfy the often times overly complex regulations required to establish and operate a business. Frequently, the only way to avoid indeterminable bureaucratic delays in obtaining the permits, licenses, etc. needed to do business is to make an informal payment to key bureaucratic officials. Institutional and bureaucratic reforms must go hand and hand if the governmental "malaise" which discourages private sector activity is to be suppressed. However any such reforms will be short lived if

the capacity of host governments for monitoring performance and making necessary policy adjustments accordingly is not increased. Much of this lack of pragmatic resource planning and allocation is due to the weak capacity to do the kind of analysis required to formulate rational economic policies. Government personnel need more training in the policy and economic analysis area and governments need to devote more time and energy to this field. Growth of the private sector will continue to be stymied if the governments are unable to do the systematic planning which is required to clearly define their economic objectives and to promulgate, on a timely basis, rational economic policies. This is an area where donors and host governments need to work closely. In this regard, country assessments of the private sector should involve competent local government officials. In this way local officials not only serve as a source of information but receive training in policy analysis and evaluation as well.

It is apparent that those African states which profess to follow political ideologies which consider capitalistic endeavors as anathema should not normally be selected for PED activities. However, this does not mean that only those countries which have the potential for developing a U.S. "brand" of free enterprise capitalism should be selected. It would be highly unrealistic to expect that U.S. capitalism could be transplanted to the African environment. In every case, efforts will have to be made to adapt U.S. business practices to local conditions, instead of the other way around.

F. Market Size and Competition:

Most of the private enterprises in Africa serve small local markets. In many fields of entrepreneurial activity (e.g., retailing, wood and metal working)

these small markets are oversaturated.\* This overcrowded market condition results in a sort of atomistic competition among African entrepreneurs for scarce consumer money. This frequently "zero profit" situation makes it impossible for the individual enterprises to grow and, if by some miracle one is able to expand, it will undoubtedly be at the expense of its competitors. Small market sizes and limited local purchasing power leave few, if any, equitable options; growth of the private sector in Africa will probably mean fewer enterprises.

This reduction in the number of enterprises will be justified in those enterprises accorded the advantage needed to expand are able to increase by a significant amount the number of employees engaged by the private sector or foreign exchange earnings. It is the incomes gained by the employees which will purchase the goods and services supplied by the private sector. Unfortunately the prevalence of low per capita incomes in Africa means low demand which in turn means low supply. Until there are more jobs and money in circulation in Africa it will be difficult to promote private enterprise and no promotional measures should be introduced unless it is certain that they will create viable enterprises which will generate increased employment, incomes and/or foreign exchange earnings which can be used for other developmental purposes.

Small population size, low per capita incomes, low population density all combine to restrict domestic markets in Africa. When these factors are added to low productivity and the high wage, management, infrastructure and energy costs which distinguish African businesses, Africa finds itself unable to compete in world markets. Again the statistics are brutal: only 8 African

---

\*See Annex H for list of typical African enterprises.

countries have a population over 10 million; only one has a GDP as large as Hong Kong's (Nigeria, which has 80 million people verses Hong Kong's 5 million): all of sub-saharan Africa (including Nigeria) with a population of 353 million has a total GDP equal to only one-third of that of the Netherlands with a 14 million population; some studies have shown wages to be 50 percent to 200 percent higher in Africa than in Asia and productivity in some industries to be one-half of what it is in Latin America; the necessity of using expatriate management adds 25 to 50 percent to costs in this area; and, generally, the infrastructure so badly needed to increase economic growth costs 25 to 60 percent more to build in Africa than in other developing regions.\* These grim statistics indicate that economic growth in Africa will continue to be the lowest in the world and development there will stagnate unless a wide range of measures are taken soon to strengthen the private sector.

One aspect of specific country assessments will be to identify promising entrepreneurs who, with assistance, could reach a larger market and to analyze what this market extension would mean in terms of impact on competitors, increased employment, etc. Market expansion will probably mean creating new management problems for the entrepreneur and this will in turn require the providing of additional training. Usually, the entrepreneur will neither be able to grasp the more sophisticated knowledge needed to properly handle the complexities of dealing with larger markets nor be able to analyze properly potential markets without some formal classroom training or assistance.

---

\*Statistics are taken from the World Bank's Report No. 3358, Accelerated Development in Sub-Saharan Africa: An Agenda for Action, August 1981.

If the Chamber of Commerce network proposed earlier in this paper is used to provide this service, this would, with AID's assistance, facilitate the communication of possible market opportunities in the United States and the arrangement of trade missions to and from the United States. Also U.S. firms could be drawn upon (through the country specific ad-hoc committee) to provide expertise for doing required country private sector assessments market analyses, feasibility studies, etc. Perhaps AID could do as it did in the early 1960s when it had a guaranty program which financed half of the cost of investment feasibility studies. Under this program the U.S. firm involved would pay AID back if it invested in the endeavor, and, if it did not, AID was free to use the studies to interest other investors. This kind of program could be of special interest to those firms working in the risky but critical agribusiness area. Such concerns as the Agribusiness Council, Inc. and the AID funded Latin American Agricultural Development Corporation (LAAD)\* should be consulted in this regard. The feasibility of establishing something similar to LAAD in Africa could possibly be one avenue which should be explored.

U.S. firms might also be encouraged to develop "sister" business relationships with African firms. Such relationships would allow for a thorough program of assistance for the firms involved. Sweden currently has such a "sister industry" program and France's TOP (Technique, Operation et Productivité) program establishes relationships of this type. Also the Institute for International Development, Inc. (IIDI) is a PVO which responds to requests

---

\*See Annex D for description of LAAD and Agribusiness Council, Inc.

from local entrepreneurs and tries to match them with appropriate U.S. private sector sponsors. AID has supported IIDI efforts in Kenya.\*

Growth of the private enterprise sector in Africa has also been seriously constrained in some key areas by competition offered from entrenched and more experienced foreign owned firms and non-African groups (e.g., the Asians in East Africa and the Levantine community in West Africa). Many African governments have enacted measures to facilitate entry of African entrepreneurs into fields controlled by these firms. Given that the African entrepreneur can seldom match the superior business skills possessed by these non-Africans, any measures which call for rapid Africanization of these firms are not economically advisable. This is a sensitive political issue, but, as African governments must be made to realize, it will take a long time to produce a better educated, more experienced, new generation of African entrepreneurs who can replace in substantial numbers these 'hon-African' businessmen.

U.S. firms could play a role in an effort to produce a new entrepreneurial class by providing the training and assistance needed by selected African entrepreneurs to become eligible for accreditation as agents and distributors of U.S. firms. Currently, most of the U.S. products sold in Africa are marketed through the long-established and reliable foreign owned firms. AID could perhaps work with U.S. firms in developing policies and strategies in this area. The specific country assessment should definitely note the kind of U.S. products being marketed and who distributes them.

---

\* See Annex C for information on IIDI.

It is evident from the statistics cited above that the very liberal trade markets and terms of trade needed by Africa to survive economically can also create disruptive competition within their own national markets. Africa's dependence on imported supplies automatically places them at a disadvantage with those countries which export and use those same supplies to produce the same article the African country does. For instance, few countries in Africa are able to manufacture their own bottles and cans. This usually means that it is cheaper to import bottled and canned goods rather than bottling and/or canning locally produced goods. Some of these production costs and market difficulties could be overcome if there was more economic regionalization of African countries. Regionalization efforts which lower trade barriers between African countries would provide a significant stimulus for private enterprise and would relieve governments of the costly and often futile effort of patrolling their very porous, artificial borders. ECOWAS and UDEAC (Union Douanière des Etats d' Afrique Centrale) should be encouraged to continue their efforts in this direction.

Up to now reference has only been made to small and medium size enterprises. This does not mean that large enterprises should be categorically excluded from consideration. It does reflect however a bias toward SME's because the vast majority of privately owned enterprises in Africa fall into this category. Also, it is the SME's which account for most of the services provided to the general population. Moreover, experience has shown that SME's allocate resources more effectively and economically than large enterprises, contribute more significantly to employment generation than large firms and that they do so at far less cost per job. Finally, the diversity

and geographical spread of SME's permit more equitable economic growth. Unfortunately, it is the latter qualities which make it difficult to work with many of the SME's at the same time.

This concern about the size of an enterprise may be meaningless in that what may be a large enterprise in one country may be a small one in the context of the economy of another country.\* Each country must set up its own criteria for defining the size and type of enterprise. Also a definition of what is and isn't African enterprise and an African entrepreneur may be required. The setting of these criteria is a required preliminary step toward determining where donors should focus its assistance in a given country. For reference purposes the "size of enterprise" classification table used by Mark S. Weber in his analysis of the private sector in Senegal is presented below.

<u>Type of Enterprise</u>	<u>Assets \$</u>	<u>Employment</u>
Informal/Traditional	Up to 1,000	Up to 10
Small-Scale	Up to 100,000	Up to 50
Medium	Up to 400,000	Up to 150
Large	Over, 400,000	Over 150

Most large firms in Africa are foreign or state owned. This fact makes them unlikely targets for assistance but again each case should be judged individually. There may be cases where the importance of a large firm's activity to the general economy warrants granting it assistance. For instance, given that the

---

\*The Georgia Institute of Technology reports in its "An Industrial Compilation of Small Scale Industry (1975)" that at least 50 different definitions of small-scale are used in 75 countries.

decline of the African export industry is the biggest contributor to slow economic growth, some special attention should be given to firms in this critical area. There also may be some cases where governments wish to Africanize foreign owned companies and "privatetize" their own parastatal firms. These cases and the general operational status of large firms will merit special attention in any individual country assessment.

State controlled firms (parastatals) can provide competition which restricts private enterprise growth. Parastatals which limit the expansion of private enterprise should be seriously studied with the aim of finding ways to eliminate unfair competition with the private sector. In general, those parastatals which do not promote growth in the private sector should be scheduled for gradual privatization or elimination. Only those parastatals which are absolutely vital to the national economy should be granted an exception to this rule - and the justification, extent and duration of this exception should be clearly detailed.

Particular scrutiny will have to be given to those parastatals which control key services or goods (public utilities, transport, manufacturers of essential goods, supply of key imports) which are essential to the growth of private enterprise. If the parastatals marketing these essential items operate inefficiently, the private sector will suffer accordingly. These kind of inefficient parastatals are usually a fiscal drain to their governments and, as such, are major contributors to the slow economic growth of their countries. Where such parastatals exist their reform is a necessary step toward promoting economic growth.

In general, parastatals must become more commercially oriented and market responsive. This may or may not mean that privatization of existing parastatals is in order, but it certainly will require a profound change in the thinking of many government leaders. They must be shown that the public sector has grown far too rapidly and often times at the expense of the private sector. This expansion of the public sector has enormous budgetary and recurrent cost implications for the host governments. The fact that the public sector employs from 40 to 70 percent of the work force in many African countries reveals an unhealthy balance between the private and public sector; this in itself reflects a low economic state of development and moreover impedes further economic growth. The parastatal issue is therefore a significant one which will probably require a separate high level review and any reform of moribund parastatals will require a strong commitment from the highest level of the government. Also, given that the malaise affecting many parastatals reflects only the general management malaise from which the government bureaucracy suffers, reform of parastatals may require readjustments all through the governmental structure. These readjustments will undoubtedly include measures which have an impact on the private sector. AID in collaboration with the U.S. private sector, should be prepared to help host governments review and assess their large firm sector and to formulate new policies which would revitalize the parastatals and promote the growth of the private sector at the same time.

Another competition constraint on developing equitable diversification in the African private sector is the monopoly certain African ethnic groups (e.g., Hausa, Mandingo) have on many areas of economic activity. Traditionally,

members of these groups have dominated trade and commerce in Africa to such an extent that their ethnic classification is sufficient to identify them as belonging to an elite class of African entrepreneurs. It is only natural that these groups evolved to become masters of much of the "African" private sector. However, as elsewhere in the world, this concentration of commercial power and wealth in such groups has often singled them out for discriminatory treatment and has been the cause of host government measures to restrict the private sector. These government measures have been particularly disruptive to the economy when they involved the repatriation of long standing, resident members of these ethnic groups to their former countries of origin. It is evident that this ethnic issue is a sensitive one; but, nevertheless, it is one which will have to be dealt with in the country assessments and in the selection of entrepreneurs. The pros and cons of providing assistance to members of ethnic groups who already control a large share of the indigenous economy and who may therefore have the greatest potential for expansion and growth instead of providing assistance to a lesser endowed entrepreneur of other ethnic groups will have to be carefully weighed. An equitable balance must be struck; it would be undesirable if all of the economic power ends up in the hands of an entrenched commercial elite and, conversely, it will do little good if those receiving assistance are unable to use it effectively.

G. Sociological Constraints:

Although Africa's socio-cultural diversity makes it impossible to generalize, there is evidence to suggest that in many cases some of the traditional African social values often serve to constrain the development and growth of a modern business sector. It appears that many times these values make it

hard for Africans to differentiate their business relationships from their social ones. Generally, in traditional African society all relationships are highly personalized and, consequently, business transactions tend to be based more on emotions rather than any fixed set of sound commercial principles. These tendencies run contrary to the impersonal, rationalized relationship which characterize modern business. This conflict between modern and traditional ways of doing business is most evident in the area of credit. Traditional African entrepreneurs often bemoan the strictness of supplier and lending agency terms, and are discouraged by their impersonal, inflexible way of working. In the traditional African credit system reference was seldom made by the parties to repayment schedules or the exact nature of repayments. This custom has often meant that Africans have a difficult time accepting and understanding the modern "prompt payment" system, and that many African entrepreneurs have encountered financial difficulty themselves because of their own "irrational" lending practices.

It has also been noted that the demands imposed by the traditional extended family inhibits the growth of private enterprise in Africa. Generally, any entrepreneur who attains some success will be obliged to support all of his/her relatives. These financial demands often prevent an entrepreneur from accumulating the investment capital needed to expand his/her business. Also the realization that any additional income gained will mean an increase in responsibility for providing family support often discourages the entrepreneur from making a greater effort to expand and explore new ventures. There are, however, instances when kinship ties are more of a help than a burden. At times family solidarity and willingness to contribute collectively to one of

its members' business efforts is the decisive element in the creation and operation of many African businesses. It could be that the implications of the African extended family are not as unfavorable to private enterprise as one might suspect; however, it does appear that the successful African entrepreneur is usually one who is able to keep his/her family obligations firmly under control.

Two other factors which appear to be detrimental to the growth of the private sector and which probably stem from traditional customs are the tendency for African entrepreneurs to not delegate work and to disperse their efforts. Traditionally in Africa, knowledge of how to trade and do business is kept a secret and precautions are taken by any individual who possesses such knowledge to assure that no one learns what he knows. This practice means Africans rarely trust anyone enough to allow them to become involved in the operation of their businesses. There is very little delegation of authority to subordinate employees in African businesses and consequently, it is not unusual to find the entrepreneur overburdened with so many small concerns that he or she cannot devote the time and energy required to build up the business. Distrust is even greater between the entrepreneur and his colleagues and this serves as a serious obstacle to the formation of more productive partnerships and limited liability companies.

Compounding the lack of confidence the entrepreneur has in his/her employees and colleagues is the successful African entrepreneur's propensity to spread himself or herself too thin with the operation of several small businesses instead of applying his or her energies to the efficient functioning of just one enterprise. It has often been observed that once an African entrepreneur

realizes some initial success in one venture he or she is encouraged to try another venture in a different area. This dispersal of effort combined with the unwillingness to delegate authority often means that, instead of having one business which works reasonably well, he or she has several which function poorly. Although this type of diversification could be in response to the smallness of markets for any one type of enterprise or to a desire to spread risks, in most instances it probably indicates the existence of low productivity and underutilized potential. It is evident that these kinds of problems will solve themselves as African entrepreneurs bridge the gap between traditional business values and methods of operation and the practice of a more modern code of business standards and ethics. In this regard, one of the important factors to be considered in the selection of countries for private enterprise activities will be the general stage of development of a particular country in terms of the level of the sociological and other constraints described in this paper.

#### H. Physical Infrastructure:

Reference has already been made at several points in this paper to the constraints caused by the lack of adequate infrastructure. The low stage of general development in most of sub-Saharan Africa will have to be taken into consideration when assessing a country's potential for private enterprise growth. Experience has demonstrated that it is those countries with higher per capita incomes and more developed infrastructure which offer the best environment for private enterprise growth. These countries usually have the road networks, railway, airports, seaports, telecommunications, water and energy supply facilities, etc. needed to foster the growth of a thriving private

sector. It is obvious that in those countries where this kind of infrastructure is deficient it will be much harder to promote the expansion of the private sector. Unfortunately, the planning complexities, the high costs and the low economic viability of much of the required infrastructure mean that the economies of most of the African countries will be limited by infrastructure deficiencies for the foreseeable future.

It is evident from the above that, although any PED project plans will be conditioned by the existing infrastructure constraints, the direct address of these constraints would probably be outside the province of any PED project. However, in view of the importance of this constraint and the amount of money the African countries devote to infrastructure development (estimated at 30-40% of their investment budgets), any PED effort should give priority to strengthening enterprises which are able to rehabilitate and maintain existing infrastructure. Given that much of Africa's existing infrastructure is in a deteriorated state and that most governments are unable to provide adequate maintenance, such focus would yield immediate benefits. Another area of focus might be in key transport areas. For example, the private sector should be encouraged to provide mass transit services in the fast growing urban areas and systematic transport between key market points.

In the 1960's when most of the donors' development efforts were devoted to "industrialization", a typical approach in many African countries involved the creation of industrial estates and workshops. The idea was that by concentrating a large number of enterprises in one place managerial and technical services could be more easily provided and necessary infrastructure (power, water, sewage, roads) could be provided at less cost. Presently,

almost every African country has one of these industrial estates and the experience to date has been a mixed one. It has been found that industrial estates are very costly in terms of employment and income generation and are uneconomic unless suitable tenants can be found to occupy them. In general the estates have been useful for the large state or foreign backed manufacturing enterprises but of little interest to most African entrepreneurs. Generally, a move to an industrial estate location for most African entrepreneurs usually meant separating them from their clientele. Also they were reluctant to move to such estates because it made it easier for the governments to control and tax them. The establishment of industrial estates or workshops requires special planning and careful assessment. In general little assistance should be given to such efforts unless the local business community gives its full support.

In contrast to the industrialization approach of the 1960's most of the projects currently receiving AID support are concerned with artisanal, small and medium size enterprises in rural areas. This tendency toward supporting only rural enterprise may be precluding consideration of more investment worthy opportunities in the urbanized areas. There is evidence to suggest that the rural sector will never have the infrastructure needed to permit a meaningful contribution in terms of accomplishing national economic objectives via the establishment of rural enterprises. By in large the potential for viable private enterprise expansion and growth is in the towns and cities where the privately owned African enterprises, the critical employment problem and the necessary infrastructure exist. However, in view of the food needs in Africa, some priority probably should be given to supporting those urban firms which

provide goods or services that help increase agricultural productivity. It should be kept in mind that, historically, an expansion of the private business and agricultural sectors interact to boost growth in incomes and output of both sectors.

The massive infrastructure constraints in Africa present however special investment opportunities for U.S. investors. Of particular interest is the infrastructure required to develop Africa's large deposits of valuable minerals. These large mining ventures and other infrastructure projects provide opportunities for strengthening the local private enterprise sector. AID should work with the U.S. private sector in such ventures to identify possible ways of incorporating strategies which would help promote the growth of local enterprises. Small enterprise "spin offs" should be a required part of large enterprise planning in Africa.\* Experience in the industrialized countries has shown that such linkages between large and small enterprises play an important role in producing viable, dynamic economies. Similarly, AID could attempt to include PED components into its larger projects. Examples of efforts to integrate PED elements into larger efforts are the MIDAS Project in Ghana and the Volta Valley Authority Project in Upper Volta. The latter project planned to assist with the establishment of 220 Small Scale enterprises in 133 villages.

---

\*A relevant example of "spin off" type projects is the Nimba County Rural Technology Project (699-0154) in Liberia. This project involves the Liberian American Minerals Company (LAMCO), Partnership for Productively and A.I.D.

I. "Force Majeure" Constraints:

This category of constraints would normally be reserved for those things which occur infrequently and which are of an exceptional nature. Unfortunately, many of the items which could be included in this category are not uncommon in Africa. Africa in general seems to have more than its fair share of humanity's ills. Natural disasters, civil disorders, social upheavals, wars, famine, epidemics and coup d'etats occur all too frequently in many African countries. This situation makes these countries very unattractive for investors and makes doing business in many of them a very risky endeavor indeed. As long as the instability produced by such "force majeure" events exists, or has the potential to exist, there is little hope of creating an environment where private enterprise can thrive.

III. Summary of Possible Project Activities:

Throughout the foregoing many suggestions have been made concerning possible African private enterprise development activities which could be supported under AID funded projects. The following section of this paper attempts to briefly summarize in an itemized fashion these suggested activities.

1. Investigate the feasibility of establishing a collaborative relationship with the U.S. Chamber of Commerce for the purpose of providing assistance to local African Chambers of Commerce and private enterprises.
2. Reinforce African Chambers of Commerce and/or other local business promotional organizations' capacity(ies) to provide advisory and training services to local entrepreneurs.
3. Work with U.S. Chamber of Commerce to establish country specific committees for selected countries composed of members of the U.S. private sector interested in the development of Africa and provide the support needed by these committees and the firms they represent to assist with the preparation of feasibility studies, market analyses, country assessments, project documents, training programs, etc.
4. Provide support needed by U.S. firms and banks already established in Africa to undertake activities beneficial to the promotion of local enterprise and encourage collaboration between these firms and U.S. country missions.
5. Promote and support the establishment of "sister business" relationships between U.S. and African firms.

6. Encourage and support efforts by U.S. firms to identify and qualify Africans as distributors of U.S. products and as local representatives of U.S. firms.
7. Provide financial guarantees to U.S. and local banks and investment groups who agree to provide credit on an accelerated basis to those enterprises for whom accessibility to credit is determined to be the major obstacle to their success.
8. Provide incentive funds on a reimbursable basis to interested U.S. firms for investment feasibility studies.
9. Provide support to African training institutions such as ESAMI and PAID for the development and implementation of practical business courses for entrepreneurs and courses for business extension service agents such as Chamber of Commerce personnel.
10. Develop and support training programs for host country officials in policy analysis and resource management as it relates to the private sector.
11. Encourage and support efforts of U.S. educational institutions to provide needed assistance to African management institutions, universities, public and private business and vocational schools.
12. Fund private sector scholarships for business, technical training at appropriate African and U.S. institutions.
13. Organize and fund study tours and trade missions for U.S. and African entrepreneurs.

14. Organize a symposium on the role of the private sector in the development process for African business students in the U.S. and develop a program for following up on African graduates of U.S. business schools.
15. Work with African regional organizations such as ECOWAS and ECA to develop private sector development strategies and programs.
16. Support the creation of high level bi-lateral teams to evaluate the operation of key parastatals and to study host country private sector policy issues.
17. Engage as appropriate qualified PVO's to design and implement private enterprise projects identified by mission private sector assessments.
18. Establish collaborative links with related projects supported by other AID/W bureaus, by other U.S. agencies and by other donors.
19. Encourage and support efforts by the Peace Corps and other voluntary organizations to develop and implement private enterprise projects.
20. Assist country missions with the design of private enterprise projects and the preparation of private sector strategy papers and assessments which will include identification and analysis of the following:
  - private sector needs and constraints;
  - promising entrepreneurs and enterprises;
  - markets and investment opportunities;
  - areas of the private sector requiring priority attention;
  - local firms with underutilized capacity;

- issues requiring further study;
- host country private sector policies and commitments to promoting private sector growth;
- parastatal firms and their impact on private sector growth and the local economy;
- possible project activities
- those organizations working in the private sector field;
- U.S. products being distributed in the country and by whom; and
- U.S. firms operating in the country and possibilities for collaborating with them to develop programs which would promote the growth of local private enterprise.

It is obvious that very few specific project actions can or should be undertaken in a country until a private sector assessment and strategy for that country are completed. Such assessments will provide the information needed to decide what countries should be selected for project activities and the nature and objectives of these activities. These assessments will also permit the defining of the roles of the various participants (AID/W, Missions, REDSO's, PVO's, consulting firms, U.S. private sector, U.S. and African institutions, other U.S. agencies, other donors, Chambers of Commerce, etc.) and the consideration of ways to coordinate the efforts of these various parties.

#### IV. Concluding Remarks:

If, as assumed in this paper, private enterprise development is indeed in the mainstream of overall development, then it follows that it must also be in the mainstream of AID planning. This means that, if AID is to be successful in

promoting PED, consideration of PED should become a regular part of each mission's planning. Such a new planning requirement will undoubtedly entail the use of additional resources. In particular, many missions will need special guidance and assistance with the completion of revised CDSS's which fully take into account the present and potential role of the private sector in the development process. In many cases the incorporation of PED considerations into regular mission planning exercises will require adjustments in the mission's development outlook and programming habits. If such adjustments are to be made with success, missions will need to maintain a positive attitude toward PED and be able to work in close concert with private sector representatives (U.S. and African), host government officials, and other U.S. agencies and donors to elaborate programs and policies which favor PED.

While advocating that PED should be an obligatory consideration when weighing U.S. assistance alternatives and that the promotion of PED should permeate U.S. bilateral strategies, this should not be interpreted to mean that AID should now concentrate only on the development of the commercial sector. On the contrary, it is important for both private and public interests that the business of AID continue to be development and PED be considered only as a complementary means of achieving overall development goals. PED should be looked upon as an integrated extension of existing AID efforts rather than a new, separate aspect of AID's operations. A guiding thought here should be that enhanced employment and earning opportunities created by growth in the private sector will benefit poor people and that without this growth there will be little hope of reversing the downward economic trend in Africa.

This operationally oriented paper raises many questions which must be dealt with as AID comes to grips with how to promote African private enterprise and how to do so with the advice and participation of the U.S. private sector. In view of the unfavorable economic conditions and the complexity and novelty of the African situation, a successful project may require a flexible, unconventional approach. Fixed concepts based on the direct transfer of U.S. technology and resources which are not compatible with local conditions will not work. All concepts and project approaches will have to be shaped and adapted to the specific needs of each group, entrepreneur, enterprise, or locality and according to the ability of AID and the U.S. private sector to provide the assistance required. Whatever approach is selected, it should be kept in mind that the basic objective is to awaken and develop self-sufficient African entrepreneurship and that the ultimate goal is to improve the social and economic well-being of all Africans.

ANNEXES

VOLUME II

THE DEVELOPMENT OF AFRICAN PRIVATE ENTERPRISE  
-DISCUSSION PAPER -

OFFICE OF REGIONAL AFFAIRS  
AFRICA BUREAU  
AGENCY FOR INTERNATIONAL DEVELOPMENT

OCTOBER 1981

ANNEXES

(Volume II)

- A. Additional Background on Current and Past AID Funded African Private Enterprise Development (PED) Projects. This annex includes four tables listing the following:
  - 1. Current PED Projects in Africa
  - 2. AID Funded Projects in Africa with Private Enterprise Components (1952 to present)
  - 3. African PED Projects for which DIU Computer Summaries are Available
- B. Relevant Centrally Funded AID Projects
- C. Description of PVO's Involved with PED in Africa
- D. Brief Descriptions of Pertinent Agencies and Programs
- E. List of African Management Training Institutions
- F. PED Projects Funded by AID, IBRD, UNDP, ILO and UNIDO (1974 to Present - By number per Country)
- G. List of Directories of Agencies Providing Technical Assistance to PED
- H. List of "typical" African Businesses
- I. Bibliography
- J. Card Catalog Entries in AID Reference Library under African PED.

## ANNEX A

### Additional Background on Current and Past AID Funded African Private Enterprise Development (PED) Projects

Much of the information presented below was adapted from material extracted from a voluminous (388 pages) paper entitled, "Small-Scale Enterprise (SSE) Development: A Summary of Descriptions and Evaluations of SSE Projects and an Assessment of Approaches Used in SSE Development by AID, the World Bank and Other Funding Agencies," which was prepared by Devres Associates, Inc. for PPC/E/S. As the long title indicates this paper provides extensive historical data on PED and comprehensive review coverage of donor projects in this sector. A major conclusion of this paper is that past PED projects have not paid sufficient attention to evaluation. The result of this is that today there exists little empirical evidence to indicate what project approaches worked best. This lengthy paper is only a part of PPC's overall evaluation of this sector. Currently, PPC is carrying out a series of impact evaluations (noted in attachment 1 to this annex), and it is planned that the results of these evaluations and the conclusions of this paper will be used to formulate a private sector strategy paper and evaluation methodologies. In this latter regard, it is important to note the ST/UD has designed methodologies for evaluating private enterprise activities under its Small Enterprise Approaches to Development Project (931-1090). Also of special note is the paper, "Evaluating Small-Scale Enterprise Promotion: State-of-the-Art Methodologies and Future Alternatives," prepared by DAI\* for ST/UD and submitted in May 1981. This paper and others are reviewed by the Office of Science and Technology's (ex. DSB) informal working groups, Small Enterprise and Employment Unit (SEE-U). This group was formed to share information and to provide mutual support among those offices and bureaus involved in PED. PPC chairs a similar "steering group" which was constituted to examine broad

---

\* Development Alternatives, Inc.

development areas where PED is of substantial importance. Both of these groups should be consulted in the course of preparing any PED project.

One should, however, beware of biases in this paper and other materials on PED toward Latin America and Asia. Such biases are often due to the economic unattractiveness of Africa and the mixed results of previous project experiences in the region. In Africa, infrastructure costs are much higher, productivity is lower and internal markets are smaller. These and many other disadvantages indicate that it would be difficult to transpose successful programs from other regions to Africa; therefore, any new African PED projects should be based on relevant experience gained in Africa.

In this regard, it would be useful to review the more pertinent work currently being carried out by AID in Africa (see following attachment 1). Of special interest is the Senegal Rural Private Sector Development Project (685-0252) for which USAID/Senegal is currently fielding a team to complete the PID. This new effort should be followed closely to see if it has any bearing on any project generated by this paper. The Senegal project is an outgrowth of the resources papers commissioned by USAID/S as part of its joint planning program. The most significant of these papers as far as private enterprise is concerned is: "Proposed USAID Support for Private Sector in Assisting Senegalese Development: An Analysis of Alternatives: (Nov, 1980)" by Mark S. Weber. This paper should be read by anyone seriously interested in promoting the growth of the private sector in Africa.

Weber also reports in his Senegal paper on other AID efforts in West Africa. Most notably he describes the small business loan program initiated by AID in 1972 with the five member (Ivory Coast, Benin, Niger Togo and Upper Volta) Entente Council. This approximately twenty million dollar program still is operating and AID funding will continue to be available through

December 1982. When this program was first initiated, it was the first of its kind in Africa and AID deserves much credit for pioneering in this field. Weber concludes in his brief report on this project that, although improvements need to be made, this project has enjoyed a "phenomenal success."

(N.B. PPC has just completed an impact evaluation of this project.) Unfortunately he suggests that in recent years AID appears to have lost much of its interest in this project; however, other donors, recognizing the success and potential of this AID supported program, have expanded and improved upon AID's efforts in this field. Most notably, the World Bank is providing significant support and is enjoying the structural advantages it has in working with the regional and national development banks and governmental business promotion offices which have been created in recent years.

The largest and perhaps most successful African private enterprise project that AID has supported in the past was the Nigerian Indigenous Industrial Development Project (620-0714). This eleven year (1961-1972) project was thoroughly evaluated in December 1972, and it was judged an outstanding success. The outputs of this remarkable project included: 14 Nigerians trained to staff Industrial Development Centers; 5 workshops, 1 conference building, 1 office building and house constructed; 2,375 entrepreneurs trained in improved management and production techniques; 43 product prototypes developed; 96 small industries set up; \$1.0 million of small loans. State governments, the ILO, Ford Foundation, the Netherlands, UK/VSO, Peace Corps, Private banks provided approximately \$4,500,000 and AID contributed \$4,886,000 to this project. It was believed that the success of this project was due in large measure to the efficient way technical, financial and institutional support were combined and the way other donors and U.S. groups, public and private, collaborated together. This experience thus serves to underscore the importance of linking the different areas of support activities in a PED project and of coordinating all groups working

Although Weber reports that perhaps AID's interest in providing credit and assistance to private African enterprise has perhaps waned, it has not abandoned the field. AFR/RA is planning to build upon the experience gained under the Entente Council loan program with the start of the ECOWAS - African Enterprise Loan project (698-0439) and with the African Development Bank project (698-0434) in FY 83. Other African PED projects are listed in the following:

## CURRENT PED PROJECTS IN AFRICA

Country and Area	Project Name and Number	Date		AID Funds (\$000)	Intermediary or Implementor	Strategy and Character of Inputs
		Begin	End			
1. Africa Regional	*African Women in Development (698-0388) (e.g., see WID-Gara Cloth Industry - Sierra Leone)	1976	1982	3,205	Local women's and host country governments	Financial assistance grant; fund skills training and analysis/assessment of opportunities for employment creating activities
2. Africa Regional (Entente Fund Upper Volta, Ivory Coast, Niger, Togo, Benin)	*African Enterprise Program (625- 0717)	1973	1980	17,500	Entente Council	Financial Assistance: loan to small- and medium-size enterprises; TA: advisory assistance on loan applica- tions and management/techni- needs of firms
3. Botswana	*Rural Enterprises Extension Services (633-0212)	1978	1980	500	Partnership for Productivity and GOB/Min. of Commerce & Industry	TA: training informed sect entrepreneurs in basic business practices
4. Botswana	Rural Sector Grant (633-0077)	1980	1985	3,780	Government of Botswana	Finance: to form agro- Industrial enterprises; TA train extension advisors and entrepreneurs
5. Cameroon	*North Cameroon Pilot Community Development Project (631-0010)	1977	1980	387	Community Develop- ment Foundation	TA: market development and research for handicrafts training, management consultants

Best Available Copy

Country and Area	Project Name and Number	Date		AID Funds (\$000)	Intermediary or Implementor	Strategy and Character of Inputs
		Begin	End			
6. Cameroon	Training for Small Business	1980	1981	500	Booker T. Washington Foundation, Inc.	TA: advice and training to promote small businesses
7. Chad	*African WID sub-project training farmer women	(two years)		233	Farmer training centers for women	Develop women's coops and improve marketing by training seminars
8. Ghana	*Farmers Associations-Agribusiness (641-0072)	1977	1982	5,000	Grants to U.S. and local PVO's	Financial assistance to PVO and enterprises; TA: advice training by PVO's
9. Kenya	Increase of Employment Income & Production (615-0184)	1978	1981	500	Technoserve OPG	TA: advice in planning management marketing, etc. plus loan application preparation
10. Kenya	*Rural Enterprise Extension Service (615-0174)	1977	1980	360	Partnership for Productivity/Kenya	TA: training of field workers/extension agents and advice to entrepreneurs (informal sector)
11. Lesotho	*Cottage Mohair Industry (632-0209)	1978	1980	500	CARE (OPG); GOL-owned corporations; Primary/secondary co-operatives	TA: coop formation and training of spinners; financial assistance, working capital loans and equipment finance
12. Lesotho	Lower Income Housing Co. (No N/A)	1977	1981	490	Foundation for Cooperative Housing	Funding for equipment to improve production
13. Liberia	*Nimba County Rural Technology (OPG) (669-0154)	1978	1980	701	Partnership for Productivity	TA and commodities for promotion of roto-tiller manufacturing plant, feed grain production and expansion of crafts facility

Best Available Copy

<u>Country and Area</u>	<u>Project Name and Number</u>	<u>Date</u> <u>Begin End</u>		<u>AID Funds (\$000)</u>	<u>Intermediary or Implementor</u>	<u>Strategy and Character of Inputs</u>
14. Mali	Training Center for Rural Women (688-0225)	1976	1980	500	National Union of Malian Women	Training costs for multi-Disciplinary Program which includes courses on small business management
15. Senegal	Integrated Youth Development	1979	1984	1,758	YMCA and ORT	Financial assistance; crea training center; TA: trai technical and administrati personnel
16. Tanzania	*Arusha Planning & Village Development (621-0143)	1978	1982	14,591	Government of Tanzania	TA: advice, training, financial assistance to se up Appropriate Technology Centers and promote rural enterprise
17. Upper Volta	*Oncho Area Village Development Fund	1977	1980	2,173	Volta Valley Authority of GOUV	Financial assistance; loan to enterprises; TA technic and management training
18. Upper Volta	*Rural Enterprise Development (686-0219)	1978	1980	532	Partnership for Productivity	TA: advice to newly exist entrepreneurs financial assistance; credit
19. Upper Volta	African WID sub-project Women's Role in Development (686-0211)	1977	1979	1,056	National Women's Council and GOUV	Financial assistance; loan fund; TA: training and advice to set up micro-projects for employment/ income generation

\* Asterisks indicate projects scheduled for PPC Impact Evaluation

(Computerized abstracts of these projects are available from DIU)

AID Projects with a Private Enterprise Component in the Africa Region  
1952 to Present -- by Number of Projects and Amount Obligated by Country in the Region

SUMMARY

Country	Number of Projects Before 1974	Number of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US\$000)	Amount Obligated 1974 to Present (US\$000)	Total Amount Obligated 1952 to Present (US\$000)
Botswana	-0-	2	2	\$	\$ 2,999	\$ 2,999
Cameroon	1	2	3	3,229	851	4,080
Ethiopia	11	1	12	3,843	725	4,568
Djibuti	-0-	1	1		553	553
Ghana	3	2	5	44,092	3,453	47,545
Guinea	2	-0-	2	3,270		3,270
Ivory Coast	4	-0-	4	5,186		5,186
Kenya	-0-	2	2		860	860
Lesotho	-0-	1	1		500	500
Liberia	6	2	8	1,955	1,415	3,370
Madagascar	3	-0-	3	106		106
Malawi	2	-0-	2	51		51
Mali	-0-	1	1		500	500
Niger	3	-0-	3	504		504
Nigeria	4	-0-	4	8,701		8,701
Senegal	2	1	3	142	1,758	1,900
Sierra Leone	1	-0-	1	4		4
Somalia	3	-0-	3	583		583
Sudan	5	-0-	5	10,728		10,728
Tanzania	3	1	4	121	13,945	14,066
Uganda	2	-0-	2	50		50
Upper Volta	1	3	4	6	2,910	2,916
Central/West	3	1	4	17,518	1,880	19,398
Africa Regional						
Africa Regional	<u>12</u>	<u>1</u>	<u>13</u>	<u>553</u>	<u>2,584</u>	<u>3,937</u>
TOTAL	71	21	92	\$100,642	\$34,933	\$135,575

SOURCE: PPC/E/S survey prepared by Devres Associates, Inc., as drawn from computerized records of DIU.

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	ORIGATED TO DATE	EXPENDED TO DATE
<u>COUNTRY: BOTSWANA</u>								
6330077		RURAL DEVELOPMENT	80	85		A	2500	713
6330212		RURAL ENTERPRISE EXTENSION SERVICE (OPO)	78	81		A	499	113
<u>COUNTRY: CAMEROON</u>								
6310010	63111310010	HIGHWAY DEVELOP & TRAINING	62	72	310	C	3229	3229
6310010		NORTH CAMEROON PILOT COMMUNITY DEV (OPO)	77	80		A	351	352
6310034		TRAINING FOR SMALL BUSINESS PVO OPO	80	81		A	500	0
<u>COUNTRY: ETHIOPIA</u>								
6630014	66311290014	IND & PUBLIC WORKS	58	66	290	C	447	447
6630033	66311290033	IND RES SERVICES	57	60	290	C	6	6
6630049	66311290049	IND. GEN. COOP. SERV	54	64	290	C	11	11
6630054	66311950054	PRIV. ENTERPRISE PRO	60	67	950	C	117	117
6630057	66311290057	COMM & INDUSTRY	54	57	290	C	190	190
6630094	66324230094	COTTON TEXTILE MILL		61	230	C	500	500
6630095	663269200950	DEVELOPMENT BANK	61	72	920	C	1987	1987
6630104	66311930104	MEAT IND. PROMOTION	63	66	930	C	22	22
6630129	66312950129	INDUSTRIAL FEASIBILITY STUDY	66	66	950	C	85	85
6630141	66313950141	PROMOTION OF PRIVATE INVESTMENT	67	72	950	C	205	205
6630161		EXPORT PROMOTION AND INVESTMENT	69	75		C	193	193
6630214		MICRO REGIONAL RURAL DEVELOPMENT (PVO)	78	79		T	725	725
<u>COUNTRY: DJIBOUTI, DEMOCRATIC REPUBLIC OF</u>								
6030003		DISASTER RELIEF DJIBOUTI FLOOD	78	78		A	593	593

PROJECT NUMBER	PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
<u>COUNTRY: GUANA</u>								
6410030	64111220030	NATIONAL INVESTMENT BANK	63	71	920	C	620	620
6410032	641242300320	CONSTRUCTION OF ALUM SMELTER	62	71	230	C	43300	43300
6410047	64111930047	AGRIC INVESTMENT PROGRAM	67	73	930	C	172	172
6410072		FARMERS ASSN. 2ND AGRIBUSINESS-FAAD (PVO)	77	85		A	3400	2234
6410075		WOMEN IN DEVELOPMENT	75	77		C	53	53
<u>COUNTRY: GUINEA</u>								
6750005	67511930005	INDUSTRIAL GROWTH	62	65	930	C	270	270
6750046	67526230046	SONOVA VEHICLE ASSEMBLY PLANT	66	67	230	C	3000	3000
<u>COUNTRY: IVORY COAST</u>								
6810010	68111270010	MARKETING INSTITUTE		65	270	C	5	5
6810015	68111270015	4TH AFRICAN IND DEV	62	63	270	C	10	10
6810040	681269200400	DEVELOPMENT BANK	65	72	920	C	4298	4298
6810042	68111920042	PROMOTION SMALL INDUSTRY	67	69	920	C	173	173
<u>COUNTRY: KENYA</u>								
6150174		PEP RURAL ENTERPRISE DEVELOPMENT	77	81		A	360	380
6150184		INCREASE EMPLOYMENT-INCOME-PRODUCTIN-OPD	78	01		A	500	405
<u>COUNTRY: LESOTHO</u>								
6320209		COTTAGE MOHAIR INDUSTRY (OPD) (PVO)	78	80		A	500	499
<u>COUNTRY: LIBERIA</u>								
6690005	66911290005	CARTOGRAPHIC SERVICE	54	56	290	C	71	71
6690032	66911910032	INDUSTRIAL MANAGEMENT	57	58	910	C	29	29
6690069	66911920069	DEVELOPMENT BANKING	60	61	920	C	12	12

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
6690070	6691210070	PRIVATE INVESTMENT PROMOTION	62	60	910	C	1669	1669
6690113	6691220113	OFFSHORE ENTERPRISES INVESTMENT	60	62	950	C	10	10
6690154		NIMBA COUNTY ENTREPRENEURIAL DEV. (PVO/D)	70	72		A	174	174
6690163		NIMBA COUNTY RURAL TECHNOLOGY OPO-PVO	80	81		A	1251	153
6690901	66924230901	SAWMILL PROJECT	58	67	230	C	164	174
<b>COUNTRY: MADAGASCAR</b>								
6870015	68711930015	MAGNETOMETER SURVEY		66	930	C	74	74
6870016	68711200016	INDUSTRY DEV STUDY	62	64	280	C	7	7
6870017	68711290017	MINING & PETROLEUM CODE	62	62	290	C	25	25
<b>COUNTRY: MALAWI</b>								
6120140	61211290140	SURV RURAL IND COMMERCE&CREDIT	62	65	290	C	41	41
6120159	61211930159	PRE INVEST SURVEY	67	68	930	C	10	10
<b>COUNTRY: MALI</b>								
6880225		TRAINING CENTER FOR RURAL WOMEN	80	83		A	500	0
<b>COUNTRY: NIGER</b>								
6000006	60015920006	SMALL INDUSTRY DEVEL	65	70	920	C	144	144
6000014	60011270014	INDUSTRIAL DEVELOPMENT STUDY	62	64	270	C	1	1
6000023	60026920023	DEVELOPMENT BANK	63	69	920	C	89	89
<b>COUNTRY: NIGERIA</b>								
6200096	62011270096	SMALL BUSINESS SURVEY	59	60	270	C	7	7
6200713	62015950713	INVESTMENT PROMOTION	61	70	950	C	4261	4261
6200714	62011910714	INDIGENOUS INDUSTRIAL DEVELOP	61	72	910	C	2179	2179
6200761	62011290761	IND PLAN & PROJ APPRAISAL	66	69	290	C	2254	2254

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
<u>COUNTRY: SENEGAL</u>								
6850002	68516920002	DEVELOP LOAN BANK		63	920	C	24	24
6850018	68511290018	NEGRO ARTS FESTIVAL	66	67	290	C	118	118
6850222		INTEGRATED YOUTH JOB DEVELOPMENT (OPO)	79	84		A	1758	900
<u>COUNTRY: SIERRA LEONE</u>								
6360010	63611910010	DEVEL BANK & CENTER	62	63	910	C	4	4
<u>COUNTRY: SOMALIA</u>								
6490007	64911230009	FOOD TECHNOLOGY	58	59	230	C	3	3
6490020	64911910020	INDUSTRIAL DEVELOP	59	66	910	C	131	131
6490040	64952920040	CREDIT DEVELOPMENT	59	72	920	C	449	449
<u>COUNTRY: SUDAN</u>								
6500017	65015270017	INDUSTRIAL DEVELOPMENT BANK	59	69	270	C	298	298
6500052	65011280052	COMMUN SCHOOL	61	64	280	C	49	49
6500059	65015290059	INDUSTRIAL DEVELOPMENT SUPPORT	62	69	290	C	201	201
6500070	650242300700	SUDAN-AMERICAN TEXTILE INDUST	59	68	230	C	9973	9973
6500071	650229200710	INDUS DEVELOP BANK	63	66	920	C	202	202
<u>COUNTRY: TANZANIA</u>								
6210005	62111270005	SMALL IND MANAO		61	270	C	4	4
6210011	62113230011	SECOND INDUSTRIES		62	230	C	54	54
6210096	62111930096	AGRICULTURE INVESTMENT PROGRAM	67	70	930	C	63	63
6210143		VILLAGE AGRICULTURAL DEVELOPMENT CENTER	78	82		A	13245	6396

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
<u>COUNTRY: UGANDA</u>								
6170005	61713930005	TRADE & IND DEVEL	58	62	930	C	30	30
6170048	61713930048	FREEMAN INSURANCE STUDY	67	68	930	C	20	20
<u>COUNTRY: UPPER VOLTA</u>								
6860010	68611280010	7TH AFR IND DEV ST	63	63	280	C	6	6
6860211		WOMEN'S ROLES IN DEV.	77	81		A	1056	447
6860212		ONCHO AREA VILLAGE DEVELOP	78	81		A	1212	223
6860219		RURAL ENTERPRISE DEVELOPMENT	77	81		A	642	584
<u>COUNTRY: CENTRAL &amp; WEST AFRICA REGIONAL</u>								
6250505	62511920505	REGIONAL INDUSTRY DEV SURVEY	69	70	920	C	10	10
6250711	62511920711	INTRMEDIATE CREDIT INSTITUTION	71	72	920	C	13	13
6250715		INVESTMENT AND CREDIT FACILITY	73	80		A	17495	15576
6250717		ENTENTE AFR ENTERPRISE	74	80		A	1880	1480
<u>COUNTRY: AFRICA REGIONAL</u>								
6980013	69811290013	SURVEY AREA SOUTHERN SAHARA		65	290	C	59	59
6980024	69811290024	INDUSTRIAL DEVELOP SURVEY		64	290	C	46	46
6980087	69811290087	CREDIT UNION LEADERSHIP SURVEY		66	950	C	4	4
6980103	69811290103	CENTRAL AFRICA SUB-REGION		65	290	C	5	5
6980105	69811290105	AFRICAN REG INDUSTRY STUDY	66	69	290	C	126	126
6980107	69811290107	INDUSTRIAL EXTENSION		67	290	C	6	6
6980112	69811230112	AFRICAN ALUMINUM STUDY		67	230	C	12	12
6980143	69811230143	AFRICA SCHOLARSHIP COORDINATED		67	930	C	20	20

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
6980143	69811950143	PROMOTION INV IN INS	66	69	950	C	18	18
6980152	6981195015295	LARGE UNIT AGRICULTURE	69	73	950	C	146	146
6980181	6981192018195	NATIONAL LEAGUE INSUR SAV ASSN	70	73	920	C	60	60
6980352	6981193005225	WEST AFR STUDY-MEDIUM INDUSTRY	70	72	930	C	43	43
6980388		AFRICAN WOMEN IN DEVELOPMENT	76	86		A	2584	1453

Source: AID/DS/DIU Development Information System

(N.B. computerized records are not complete; consequently, there may be projects which do not appear above.)

List of Projects  
With PED Component  
for Which DIU Computer Summaries are Available

1. Africa Regional--African Women in Development (698-0388)
2. Africa Regional - East Africa Development Corporation (698-0001)
3. Africa Regional--Entente Fund: African Enterprise Program  
(625-E-006, 625-0713, 625-0717)
4. Africa Regional - West Africa Development Corporation (698-0002)
5. \*Botswana - Rural Enterprise Extension Service: PFP (633-0212)
6. \*Botswana--Rural Sector Grant (633-0077)
7. \*Cameroon - North Cameroon Pilot Community Development: CDF
8. Chad--Training Farmer Women for Agricultural Production  
(698-0388)
9. \*Ghana - Farmers Association and Agribusiness Development (FAAD):  
(641-0072)
10. \*Kenya - Increase Employment, Income, Production: Technoserve  
(615-0174)
11. \*Kenya - Rural Enterprise Extension Service: PFP (615-0174)
12. \*Lesotho - Cottage Mohair Industry: CARE (632-0209)
13. \*Lesotho - Lower Income Housing Co: FCH
14. Liberia - Nimba Valley Entrepreneurim Development (699-0154)
15. Liberia - Nimba Country Rural Technology (699-0163)
16. Mali - Training Center for Rural Women (688-0225)
17. Nigeria - Indigenous Industrial Development (620-714)
18. \*Senegal - Integrated Youth Job Development: YMCA, ORT (635-0222)
19. Sudan - Commodity Import Program (650-0038)
20. Tanzania - Rural Credit Union Development (621-0085)
21. Togo - Low Income Shelter (693-8001)

ANNEX A

Attachment 3

22. Upper Volta - Oncho Areas Village Development Fund (686-0212)
23. \*Upper Volta - Rural Enterprise Development: PFP, VITA  
(698-0219)
24. Upper Volta - Women Roles in Development (686-0211)

\*Astericks indicate PVO provjects

LIST OF RELEVANT CENTRALLY FUNDED PROJECTS

Currently, there are several centrally funded projects being prepared by the Agency which are aimed at the private sector. These include ST/Ag's International Small Business Investment Companies and Centers for Intermediary Services projects, and ST/RADs Small Rural Enterprise Development project. All three of these projects have progressed through the PID stage and they all concern world wide programs. All the materials produced to date on these projects and the small-scale enterprise concept papers (see State 218247 of August 17, 1980) of the old Development Support Bureau should be carefully reviewed for their relevance to the design and implementation of private enterprise projects with an African focus.

Summaries and Activity Data Sheets for some of the more pertinent centrally funded projects follow.

## Best Available Copy

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation-Technoserve, Inc., Matching Grant (938-0145).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To improve quality of life for low-income people in selected Latin American and African countries.

PROJECT PURPOSE: To expand and strengthen Technoserve's program to develop small-scale rural enterprises and foster local capability in support of self-help enterprise development.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Grant to Technoserve, Inc. to finance an increased number of small-scale, self-help, rural enterprises.

PROJECT BENEFICIARIES: Low-income, rural people in six African and Latin American countries.

DEFINITION OF SSE: Small-scale, rural enterprises, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technoserve, Inc.

TOTAL FINANCIAL COMMITMENT: US\$2,700,000

Source: AID: \$1.4 million; host country counterpart: \$0.5 million; contributions from US, individuals, corporations, foundations, and churches: \$0.8 million.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: During the three years of the matching grant, Technoserve will start eight new projects in Africa and Latin America, including a livestock and mixed-farming cooperative in Kenya, to provide credit and management assistance to farmers, and feedmills in four farming and ranching cooperatives in El Salvador.

Outputs include: increased employment of the poor in small enterprises; increased local investment in small enterprises; and increased sales volume for small enterprises.

The project was evaluated during the period 2/1/79-1/31/80, by AID and Technoserve, with the following findings: 1) Technoserve had difficulty in providing the matching funds; 2) Technoserve felt undue pressure to provide quick solutions to difficult, long-term problems; 3) Technoserve sensed need for better planning and evaluation capability, if it is to be of benefit to the poor.

# Best Available Copy

BUREAU AND NAME (PROJECT NUMBER): Population and Humanitarian Assistance-  
Technoserve Small Enterprise Assistance (932-0029).

TIME FRAME: FY1972-FY1976.

PROJECT GOAL: To contribute to the growth and self-sufficiency of viable small enterprises in the industrial and agricultural sectors of selected LDC's.

PROJECT PURPOSE: To enable Technoserve to increase substantially the scale of its program, and to attain a permanently higher level of private support.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial Assistance: matching grant to enable TA to be expanded.

PROJECT BENEFICIARIES: Small-scale entrepreneurs in selected LDC's.

DEFINITION OF SSE: Mixed food crop farming; rice processing mills; fresh fish processing and marketing; poultry production; animal feed mills; small electrical machinery repair.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technoserve, Inc.

TOTAL FINANCIAL COMMITMENT: US\$1,635,000.  
Source: AID: \$545,000; Private sources: \$1,090,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project aim is to provide Technoserve with funds to enable it to increase substantially the scale of its program, by increasing its volunteer field personnel from 6 to 18, and by recruiting and training local field representatives.

Fifteen projects which contribute to the growth and self-sufficiency of viable, locally beneficial enterprises in the agricultural and industrial sectors, will be developed, in Honduras, Guatemala, the Caribbean, Ghana, Kenya, Uganda, and other African and Latin American countries.

Six senior project advisor counterparts will be recruited and trained as field representatives. Technoserve's assistance cost per project will be reduced from \$27,000 to \$16,500, and total assistance cost per job from \$520 to \$370. The number of new projects will be increased.

An evaluation covering the period 7/75 to 12/76 rated Technoserve's performance as outstanding, as calendar 1976 targets were met or surpassed by the end of the third quarter. Technoserve investigated 97 projects, assisted 5 new projects, and provided continued assistance to 12 on-going projects. Outside capital investment fell short of the \$2 for every \$1 given by AID.

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation  
Institute for International Development, Inc. (938-0131).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To expand LDC economies through improved small and  
medium-sized business management.

PROJECT PURPOSE: To foster development of small- and medium-sized  
businesses in LDCs which provide demonstrable local benefits to rural  
poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance:  
Matching grant.

PROJECT BENEFICIARIES: The rural poor in selected LDCs.

DEFINITION OF SSE: Small- and medium-sized businesses.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: U.S. and  
host country PVOs, private U.S. businesses.

TOTAL FINANCIAL COMMITMENT: \$1,011,000  
Source: AID: \$1,011,000, LIDI: Matching amount.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The grant  
provides for LIDI to establish an entrepreneurial training center in  
Kenya; to improve established centers in Honduras, Colombia, and  
Indonesia; to create 100 new small- and medium-sized businesses; and  
to establish a credit fund for new and existing businesses which offer  
income-earning opportunities for poor people.

Types of businesses to receive assistance include agricultural  
businesses in the areas of crop production and animal husbandry;  
small manufacturing; and service industries such as general retail  
stores, auto repair, mixed farming, and laundry.

Intensive training programs will focus on improving management  
and business skills, using (in part) technical assistance provided by  
U.S. businesspeople.

BUREAU AND NAME (PROJECT NUMBER): Population and Humanitarian Assistance—  
Institute for International Development, Inc. (IID) (932-0034).

TIME FRAME: FY1973-FY1978.

PROJECT GOAL: To increase local incomes.

PROJECT PURPOSE: To assist indigenous and medium-sized businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: for development  
of project proposals.

PROJECT BENEFICIARIES: Small and medium businesses.

DEFINITION OF SSE: Not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Institute  
for International Development, Inc.

TOTAL FINANCIAL COMMITMENT: \$650,000.  
Source: AID: \$650,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project  
is intended to foster small and medium-sized business through assistance  
to indigenous entrepreneurs and by encouraging foreign investment in  
the LDC's. Anticipated outputs included: 1) project proposals developed  
and screened by IID staff interacting with related voluntary groups  
and businessmen committees; 2) project proposals systematically analyzed  
by IID staff and cooperating businessmen; 3) assistance provided to  
project principals on a variety of project development aspects including  
feasibility studies, technology, finance sources, and market and country  
specifics; and 4) project histories developed which will enable AID  
and IID to evaluate effectiveness of IID services.

The evaluation of 1975 found that IID had lived up to project paper  
objectives. Its screening process allowed one in ten projects to  
reach active status. Its staff is qualified but covers too wide an  
area to be efficient or effective. Few tangible results can be seen from  
their activities.

**Best Available Copy**

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation-Partnership for Productivity (PFP) (938-0141).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To increase regional employment opportunities in small business.

PROJECT PURPOSE: To expand PFP's program of creating and improving the effectiveness of PVO's and related organizations in LDCs who serve the needs of small rural businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Matching grant.

PROJECT BENEFICIARIES: Small-scale business people, artisans, and self-help groups in LDC's.

DEFINITION OF SSE: Small-scale businesses, artisans, self-help groups.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Other participating institutions include indigenous PVOs, foreign donors and multi-national corporations.

TOTAL FINANCIAL COMMITMENT: \$673,000  
Source: AID: \$673,000; PFP: matching amount.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The three-year project consists of a grant to PFP to finance its program of credit and management assistance to small-scale businesses, artisans, and self-help groups. Small businesses will be benefited by the provision of increased regional employment opportunities and delivery of new and cheaper services and locally-produced products.

PFP will adapt its business development models to five institutional settings in three countries. Information about these models will be disseminated to at least 13 countries. New projects will be established in at least seven countries. User-oriented evaluation techniques will be designed and tested for each model.

**Best Available Copy**

PROGRAM: CENTRALLY FUNDED

ACTIVITY DATA SHEET

CP 81-05 (8-79)

TITLE International Executive Service Corps (IESC) Institutional Support Grant		FUNDS Selected Development Activities	PROPOSED OBLIGATION (In thousands of dollars)		
NUMBER 932-0001	NEW <input type="checkbox"/>	PRIOR REFERENCE FY 80 Annex V Centrally Funded, p. 179	FY 81 5,000	LIFE OF PROJECT 23,200	
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	CONTINUING <input checked="" type="checkbox"/>		INITIAL OBLIGATION FY 78	ESTIMATED FINAL OBLIGATION FY 82	ESTIMATED COMPLETION DATE OF PROJECT FY 83

Purpose: To provide U.S. executive, managerial and technical skills to commercial enterprises, private, non-profit organizations, and government agencies in LDCs.

Background and Progress to Date: IESC, a private, not-for-profit organization, in existence since 1964, began with substantial support from A.I.D. and private U.S. contributions. It now receives nearly 50 percent of its budget from overseas clients and from U.S. corporate sources. IESC assists in the development of economies of LDCs through the improvement of their business and management skills. Instrumental in this transfer are volunteer advisors with a wide range of backgrounds in U.S. enterprises of every kind. Since 1965, volunteers have assisted locally-owned enterprises in 63 countries on nearly 6,600 assignments, averaging 2½ months each.

Under this grant, A.I.D. provides funds for a five-year program to expand and concentrate to the maximum extent feasible on clients which have impact on the rural and urban poor. IESC will undertake an average of 600 projects per year, an increasingly larger percentage for low-income entrepreneurs. IESC has agreed to focus on countries of greatest need to the extent such assistance is desired and can be absorbed.

Host Country and Other Donors: IESC receives contributions from private corporations and U.S. and foreign sponsors which cover headquarters and overhead costs as well as a portion of project costs.

Beneficiaries: The immediate beneficiaries of the IESC projects are the LDC enterprises assisted by IESC volunteers. The ultimate beneficiaries are the persons who are provided new employment opportunities in businesses assisted and the host country economies which are strengthened by improved and expanded business activity and new product lines.

FY 81 Program: IESC will assist between 600 and 700 business enterprises in Latin America, the Near East, Asia and Africa. Its small business program will continue to expand to assist low-income entrepreneurs to help accelerate their growth. IESC will also expand and strengthen its network of steering groups in each country to insure an expanding role for local business leaders in setting local IESC program priorities and to evaluate the desirability of particular IESC activity in individual countries.

Major Outputs: At the end of FY 81, more than 7,500 projects will have been undertaken since support for IESC began. IESC will continue operating an average of 600 projects per year for five years with an expanding number and percentage of the total allocated to small business projects.

<u>A.I.D.-Financed Inputs:</u>	(\$ thousands)
	FY 81
Volunteer expenses	2,050
Transportation	2,700
Other costs	250
TOTAL	5,000

U.S. FINANCING (In thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unliquidated	
Through September 30, 1979	7,528	6,090	1,438	
Estimated Fiscal Year 1980	4,350	4,000		
Estimated through September 30, 1980	11,878	10,090	1,788	
Proposed Fiscal Year 1981		Future Year Obligations	Estimated Total Cost	

International Executive Service Corps

PROGRAM: CENTRALLY FUNDED

ACTIVITY DATA SHEET

CP 81-05 (8-79)

TITLE Volunteers in Technical Assistance (VITA) Institutional Development Grant		FUNDS Selected Development Activities		PROPOSED OBLIGATION (In thousands of dollars)		LIFE OF PROJECT 840	
NUMBER 938-0157		PRIOR REFERENCE FY 80 Annex V		FY 81 280			
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>		CENTRALLY FUNDED, p. 185		INITIAL OBLIGATION FY 79		ESTIMATED FINAL OBLIGATION FY 81	
NEW <input type="checkbox"/> CONTINUING <input checked="" type="checkbox"/>						ESTIMATED COMPLETION DATE OF PROJECT FY 82	

Purpose: To promote the use of appropriate technology in LDCs.

**Background and Progress to Date:** VITA receives about 175 requests per month for appropriate technology solutions to small scale development problems in agriculture, water resources, rural industry, and alternative energy use from LDC agencies and individuals. VITA maintains a current, extensive technical library and responds directly with pamphlets and other "how-to" manuals to about 40% of such requests. The remainder are referred to specialists among the more than 4,000 VITA technical and scientific volunteers in the United States who give their time and expertise to provide direct responses. VITA, using short term volunteers or contract services, also undertakes appropriate technology projects to solve problems in such areas as salt extraction in Honduras and Mauritania, agricultural implement design and manufacture in Nigeria, low-cost housing in Colombia, peat extraction in Burundi and manufacture of nicotine pesticides in Sudan and Kenya. Additionally, VITA has assisted in setting up appropriate technology information centers in the Philippines, Honduras, El Salvador, Nicaragua, Nigeria, Brazil, Upper Volta and Papua, New Guinea which directly tap in-country expertise for solutions to local appropriate technology problems.

**Host Country and Other Donors:** VITA receives substantial grants from U.S. foundations (Rockefeller Brothers Fund, Lilly Endowment, Public Welfare Foundation, Edna McConnell Clark Foundation, et. al.) and from U.S. multi-national corporations which provide specific working grants. Additional income is derived from the sale of VITA publications and from contracts for specific services.

**Beneficiaries:** In addition to strengthening local appropriate technology institutions, the ultimate beneficiaries are small entrepreneurs and the urban and rural poor who benefit from increased efficiency in production and from new sources of income

and jobs.  
**FY 81 Program:** VITA will continue to explore effective ways to provide appropriate technology solutions to small scale development problems for village level businesses, small farmers, extension agents and village councils; provide technical support to overseas counterpart organizations directly or through volunteer services, and develop additional appropriate technology publications on small scale agriculture production and alternative energy sources.

**Major Outputs:** By the end of FY 1981, VITA will have accomplished the following on an annual basis: responding to at least 1600 inquiries for appropriate technology information and carrying out two or more intensive projects to develop additional appropriate technology information (e.g. in alternate energy sources, agricultural implement design); updating and increasing an additional 35 "packaged" responses to recurring inquiries; four month-long training sessions on appropriate technology information acquisition and distribution for LDC groups so involved; 30 program evaluation and development activities to meet newly emerging appropriate technology applications involving 10 field interviews and four country analyses.

**A.I.D. Financed Inputs:**

	(\$ thousands)
	FY 81
Program administration	80
Program development	40
Program implementation	160
<b>TOTAL</b>	<b>280</b>

U.S. FINANCING (in thousands of dollars)

	Obligations	Expenditures	Unliquidated
Through September 30, 1979	280	128	152
Estimated Fiscal Year 1980	280	350	
Estimated through September 30, 1980	560	478	92
Proposed Fiscal Year 1981	280	Future Year Obligations	Estimated Total Cost
		-	840

PRINCIPAL CONTRACTORS OR AGENCIES  
Volunteers in Technical Assistance

Best Available Copy

PROGRAM: CENTRALLY FUNDED

ACTIVITY DATA SHEET

CP 81-05 (8-79)

TITLE Young Men's Christian Association (YMCA) Matching Grant		FUNDS Selected Development Activities	PROPOSED OBLIGATION (In thousands of dollars)	
NUMBER 932-0120	NEW <input type="checkbox"/>	PRIOR REFERENCE FY 80 Annex V Centrally Funded, p. 168	FY 81 1,000	LIFE OF PROJECT 2,980
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	CONTINUING <input checked="" type="checkbox"/>		INITIAL OBLIGATION FY 78	ESTIMATED FINAL OBLIGATION FY 81
				ESTIMATED COMPLETION DATE OF PROJECT FY82

**Purpose:** To enable the International Division of the U.S. YMCA to plan, implement and evaluate a variety of programs to benefit urban and rural poor people in LDCs.

**Background and Progress to Date:** The International Division of the YMCA assists in designing, implementing and evaluating development projects for poor people living in LDCs. Working within the World Alliance of YMCAs and relying upon the staffs of local YMCAs in 42 countries, the YMCA initiated 372 development projects under an A.I.D. development program grant. Projects included job creation, vocational education, agricultural community development, health, nutrition, and family life. The YMCA also organized a worldwide information exchange center. Voluntary organizations in LDCs are being strengthened by their volunteers' participation in planning and management programs sponsored by the YMCAs in the Third World.

Under this matching grant, the International Division has implemented 60 human resource development projects and 15 youth employment programs, conducted 20 development management training programs for indigenous YMCA administrators, and tested three new development project concepts.

**Host Country and Other Donors:** Donors to the YMCA's development program include the YMCAs of the U.S., Africa, Latin America, and Asia, the World Alliance of YMCAs, CIDA (Canada), SIDA (Sweden), EZE (West Germany), ICCA (Netherlands), YMCAs of Japan, Canada and Switzerland, host governments and many others. A minimum of 25% of any project cost is provided by LDC YMCAs or other LDC donors. The total value of these resources averages four times or more the total support received under this grant.

**Beneficiaries:** The urban and rural poor people in the 88 LDCs in which the YMCA operates.

**FY 81 Program:** The International Division of the U.S. YMCA will continue to extend and develop its human resources programs in the LDCs through training and organizational development to meet such basic needs as adequate food, shelter, safe water, sanitation, and health; design programs to reduce unemployment among young people; increase the ability of local YMCAs to expand and improve their development programs; provide incentives and support to LDC YMCAs to better manage specific grassroots projects for the urban and rural poor; and implement innovative testing of development concepts.

**Major Outputs:** All years, 80 human resource development projects established, 22 youth employment programs instituted, 40 development management training programs for LDC YMCA administrators conducted and eight new development concepts tested.

**A.I.D. Financed Inputs:**

	(\$ thousands)
Youth employment projects	FY 81
Management training	250
Health and environment projects	300
Subsistence farmers projects	100
Shared headquarters expense	150
	200
TOTAL	1,000

Best Available Copy

U.S. FINANCING (In thousands of dollars)			
	Obligations	Expenditures	Unliquidated
Through September 30, 1979			770
Estimated Fiscal Year 1980	1,480	710	
Estimated through September 30, 1980	500	800	
	1,980	1,510	470
Proposed Fiscal Year 1981	1,000	Future Year Obligations	Estimated Total Cost

PRINCIPAL CONTRACTORS OR AGENCIES  
Young Men's Christian Association

ACTIVITY DATA SHEET

TITLE A.T. International (ATI)		FUNDS Agriculture, Rural Development and Nutrition, and Selected Development Activities	PROPOSED OBLIGATION (In thousands of dollars)		
NUMBER 931-1071	NEW <input type="checkbox"/>	PRIOR REFERENCE FY 1980 Annex V, Centrally Funded, p. 45	FY 81 4,100	LIFE OF PROJECT 18,000	
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	CONTINUING <input checked="" type="checkbox"/>		INITIAL OBLIGATION FY 78	ESTIMATED FINAL OBLIGATION FY 81	ESTIMATED COMPLETION DATE OF PROJECT FY 82

**Purpose:** To assist poor people of developing countries improve their ability to choose among alternate technologies and to make better use of local resources.

**Background and Progress to Date:** This project provides funding to A.T. International to develop, adapt, and disseminate appropriate technologies as well as to support indigenous LDC organizations in these efforts. A.T. International (ATI) was organized in December 1976 and was funded in June 1977 with a grant of \$1,000,000 to organize, staff, and start their program. Under the first grant, ATI financed a small program with Volunteers in Technical Assistance (VITA) to train local people in the techniques and methods of disseminating appropriate technology. ATI also negotiated subgrants for a small-scale cement plant project in India, a small-enterprise financial service fund in northeast Brazil, and a Haitian appropriate technology development project.

A second grant for three years was made on August 31, 1978, with initial funding of \$5,000,000. ATI implements its program principally through subgrants to local development organizations in the LDCs. During the first year of the new grant, ATI increased its portfolio to 50 subgrants and expanded the list of host countries to 14, including Colombia, the Dominican Republic, Papua/New Guinea, the Solomon Islands, and Tanzania. Assistance was provided, for example, in demonstrations of micro-hydro power (Lesotho, Solomon Islands) and the use of a simple, efficient wood-burning kitchen stove (Honduras, Guatemala). A review of ATI's current status and operations was completed and issued in report form during July 1979. The report made a number of constructive recommendations dealing with present and future operations, including recommending that A.I.D. obligate FY 1979 funds.

**Host Country and Other Donors:** ATI subgrants have attracted about two dollars from other sources for each dollar of direct

assistance from ATI. This additional support comes from private, host country government, foundation, private voluntary organization, and international financial sources.

**Beneficiaries:** The beneficiaries will be the poor in developing countries whose basic human needs are met through the appropriate use of capital-saving technology to generate income and employment. LDC appropriate technology organizations also benefit from demonstration projects and advisory services.

**FY 81 Program:** In FY 1981, the rate of ATI commitments will nearly double and the number of active subgrant projects will be 80-100. It is expected that Africa and Asia will receive increasing emphasis.

Major Outputs (and A.I.D. Unit Cost):

	(\$ thousands)
	<u>All Years</u>
	unit (cost)
Subgrants (including technical assistance and administrative costs, in 35-45 developing countries)	150 (125.0)

A.I.D. Financed Inputs:

Subgrants to local development organizations	FY 81 2,400
Administrative costs and technical assistance	1,700
<b>TOTAL</b>	<b>4,100</b>

Functional Accounts:

Agriculture, Rural Development and Nutrition	1,900
Selected Development Activities	2,200

U.S. FINANCING (In thousands of dollars)

	Obligations	Expenditures	Unliquidated
Through September 30, 1979	10,600	2,693	7,907
Estimated Fiscal Year 1980	3,300	5,500	
Estimated through September 30, 1980	13,900	8,193	5,707
		<u>Future Year Obligations</u>	<u>Estimated Total Cost</u>
Proposed Fiscal Year 1981	4,100		18,000

PRINCIPAL CONTRACTORS OR AGENCIES

A.T. International

Best Available Copy

B-10  
ACTIVITY DATA SHEET

PROGRAM: CENTRALLY FUNDED

CP 81-05 (8)

TITLE Small Enterprise Approaches to Employment		FUNDS Selected Development Activities	PROPOSED OBLIGATION (In thousands of dollars)		LIFE OF PROJECT
NUMBER 931-1090	NEW <input type="checkbox"/>	PRIOR REFERENCE FY 1980 Annex V, Centrally Funded, p. 164	FY 81 350		1,379
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	CONTINUING <input checked="" type="checkbox"/>		INITIAL OBLIGATION FY 78	ESTIMATED FINAL OBLIGATION FY 81	ESTIMATED COMPLETION DATE OF PROJECT FY 82

Purpose: To expand employment opportunities for the urban poor.

Background and Progress to Date: The urban poor, particularly urban women, are primarily dependent for their incomes on formal and informal small-scale enterprises (SSE's) or self-initiated economic activities. Often these enterprises, and the people whose well-being is intimately tied to their survival, must fight for their existence in an environment which is hostile in both policy and economic terms. Traditional donor technical and credit assistance programs have benefited this group to only a limited extent. This project is designed to enhance A.I.D.'s understanding of how it can best improve the productivity, income, and employment-generation capabilities of small-scale enterprises. The project consists of three complementary components: (1) evaluation - designing a methodology for accurately assessing the employment and income impacts of SSE assistance programs; (2) housing - providing a methodology for assessing the employment implications of alternative approaches to low-cost housing construction, and guidelines for programming maximum employment generation into housing projects; (3) PISCES (Program for Investment in the Small Capital Enterprise Sector) - research, development and field testing of cost-effective mechanisms for extending appropriate assistance to otherwise unassisted informal sector micro-enterprises.

R and D activities are well under way in all components and possible field demonstration sites are being identified. It is anticipated that the results of these activities will be disseminated through workshops and seminars and that the identified mechanisms, guidelines, and techniques will begin to be tested in field demonstrations during FY 1980 as planned.

Host Country and Other Donors: Host country governmental ministries and non-governmental organizations are cooperating closely with A.I.D. as the project progresses. Technical consultation and information exchange with the World Bank and the Inter-American Development Bank continue to be excellent.

Beneficiaries: The urban poor will benefit from employment and income-producing opportunities, and at the same time enjoy fuller participation in the benefits and responsibilities of national development.

FY 81 Program: Continuation of field demonstrations under all three components in Africa, Asia and Latin America. Seminars and workshops will be held both in the United States and in the field.

<u>Major Outputs (and A.I.D. Unit Cost):</u>	(\$ thousands)
	<u>All Years</u> unit (cost)
State-of-the-art-studies	2 (30)
Analyses of selected field activities	25 (15)
Field-tested programming guidelines/methodologies	3 (20)
Field pilot/demonstration projects	10 (25)
Technical monographs	2 (20)
Workshops conducted	9 (8)
Missions provided technical assistance	10 (15)

A.I.D. Financed Inputs:

Personnel (50 person months)	150
Travel	50
Commodities	20
Other costs	10
<b>TOTAL</b>	<b>350</b>

U.S. FINANCING (In thousands of dollars)

	Obligations	Expenditures	Unliquidated
Through September 30, 1979	859	539	320
Estimated Fiscal Year 1980	170	400	
Estimated through September 30, 1980	1,029	939	90
Proposed Fiscal Year 1981	350	<u>Future Year Obligations</u>	<u>Estimated Total Cost</u>

PRINCIPAL CONTRACTORS OR AGENCIES  
Michigan State University  
ACCION/AITEC  
Development Alternatives, Inc.  
Partnership for Productivity  
Developing World Industry and Technology, Inc.

Best Available Copy

PROGRAM:

ACTIVITY DATA SHEET

CP 81-05 (8-79)

TITLE Reimbursable Development Program		FUNDS Selected Development Activities	PROPOSED OBLIGATION (In thousands of dollars)		
NUMBER 938-0900		PRIOR REFERENCE FY 80 Annex V, Centrally Funded, p. 198	FY 81	2,000	LIFE OF PROJECT Continuing
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	NEW <input type="checkbox"/> CONTINUING <input type="checkbox"/>		INITIAL OBLIGATION FY 75	ESTIMATED FINAL OBLIGATION FY Continuing	ESTIMATED COMPLETION DATE OF PROJECT FY Continuing

**Purpose:** To provide project planning assistance services to friendly countries for country-financed development programs and to stimulate utilization of U.S. goods and services in the implementation of country-financed development.

**Background and Progress to Date:** Under FAA Section 607(a), RDP furnishes technology, technical services and training from U.S. federal and state agencies on a fully reimbursable basis. Under FAA Section 661, RDP sponsors planning assistance, including project preparation and feasibility studies, and related activities such as procurement visits to the U.S. by host government officials.

The program is part of the U.S. foreign economic strategy directed principally toward those countries not currently participating in regular AID programs but with whom the United States maintains a cooperative economic and development relationship. These countries include AID-graduates, OPEC members, or any friendly country which desires to purchase U.S. goods and services.

Technical services are provided by RDP in virtually every area of development priority identified by host governments and recommended by American embassies. Unlike regular AID programs, RDP activities are not limited to basic human needs criteria or countries in which AID programs normally operate. RDP activities are conducted with more than 40 countries and have led to hundreds of millions in dollars of country-financed procurement of U.S. goods and services for major development projects.

Until 1979, Section 661 funds were used for planning assistance to stimulate only federal agency reimbursable services. In March 1979, in response to Congressional concern over lack of private sector involvement, new guidelines were issued permitting the provision of planning assistance for projects involving U.S. private sector participation.

The new guidelines added a significant dimension to the Reimbursable Development Program by facilitating U.S. private sector participation in major overseas development activities from early project planning through the implementation stages. Requests now far exceed the level of funds authorized for Section 661 activities

**Host Country and Other Donors:** Host countries are responsible for financing all projects under Section 607(a) and all follow-on projects resulting from Section 661 project planning assistance activities. Host countries may receive assistance from multi-lateral and regional development agencies or private international banking institutions. RDP also facilitates host country access to possible U.S.G. financing sources such as the Export-Import Bank and Overseas Private Investment Corporation.

**Beneficiaries:** Because host governments receive U.S. technology on a reimbursable basis and are assisted in identifying and planning development projects which may lead to procurement of U.S. technology, both the host country and the United States are direct beneficiaries.

**FY 1981 Program:** RDP activities are rapidly expanding. The FY 1981 request reflects a conservative estimate of Section 661 planning assistance demand during that time frame.

**Major Outputs:** RDP projects have been carried out in a wide range of fields, including for example, agriculture and agribusiness, human resources development, energy and infrastructure development, transportation and communications, and public planning.

**AID Financed Inputs:** (\$ thousands - FY 81)

For Section 661 Planning Activities 2,000\*  
\*\$1.5 million for operating expenses is not included in this sum.

U.S. FINANCING (In thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unliquidated	
Through September 30, 1979	2,950	1,288	1,662	
Estimated Fiscal Year 1980	1,826	2,562		
Estimated through September 30, 1980	4,776	3,844	932	

## ANNEX C

### Brief Description of PVO's Involved with Private Enterprise Development

#### Comments

Brief description of four Private Voluntary Organizations (PVO's) involved in the promotion of private enterprise in Africa are presented below. Of special interest are the AID supported projects which Partnership for Productivity (PFP) and Technoserve have implemented in Kenya, Botswana, Liberia and Upper Volta. These PVO's have developed impressive, hands-on approach to identifying entrepreneurs and providing them with the services and training they need to increase their efficiency and output. The PFP experience in Upper Volta, a country with few economic resources, should especially be considered before commencing private sector projects in countries with similar resource constraints.

In general, PVO's can provide services more economically than U.S. private sector firms and they are usually more effective at setting up small-scale models which point the way to larger, more widespread efforts. In this regard, it is thought that the U.S. private sector is probably better suited to working with large, modern sector firms (perhaps those identified by the PVO's) while the PVO's are probably better able to work with the smaller firms in the informal sector. PVO's working in this field and the U.S. private sector should coordinate closely their activities in Africa with the aim of collaborating together where possible. An excellent example of such collaboration is the Nimba County Rural Technology Project (669-0154) in Liberia. This project was elaborated in response to concerns expressed by the U.S. owned Liberian American Mineral Company (LAMCO), is being implemented by PFP and is supported by AID.

In view of the past record and significant experience of some PVO's in the field of private enterprise development, it is recommended that PVOs play an important role in the design and implementation of AID funded private enterprise projects in Africa. There are, however, some problems which need to be considered in regard to PVO's. One of these problems concerns the costs of delivering services to an individual entrepreneur. The providing of assistance to just a handful of entrepreneurs may require the full time efforts of one or more expatriate technical assistants. This is due to the difficulty of assembling together many entrepreneurs at once for a standardized program. Most African entrepreneurs can't leave their place of business for long periods of time and often times the advisory/training needs of one entrepreneur differ from those of other entrepreneurs. Also any program which is not applied "in situ" within the practical framework of the entrepreneurs daily work is bound to fail. This kind of situation requires that a tailor-made program be devised for each entrepreneur selected and that most, if not all, of this program be carried out at the entrepreneur's place of business. This means a high technician-participant ratio is unavoidable and, consequently, a resultant high cost per direct beneficiary. In view of these high costs it is very important that those entrepreneurs receiving assistance become models which others will desire to emulate. Selected entrepreneurs must thus be willing to share their new knowledge and skills with others. Without this kind of spread effect it is difficult to justify the cost of such a "hands-on" approach as this.

Another problem with working through PVO's concerns the obtention of host government recognition of AID supported PVO activities. Many host countries are reluctant to accept any arrangement whereby AID supplies U.S. government resources to PVO's who in turn transfer these resources to private entities without its knowledge and/or consent. Indeed, such an unofficial

arrangement would probably require that some of AID's own regulations be modified. In any event, the ideal is to work directly with the private entities but the reality in most African countries is that this cannot be done successfully without the consent of the host government. Acquiring host government approval may require funneling assistance efforts through existing entities which have already been recognized by the host government. In this regard, it appears that one of the best conduits for this kind of assistance could be the local Chambers of Commerce (C of C).

1. Partnership for Productivity Foundation (PfP)  
Address: 2441 18th St. N.W. Washington D.C. 20009  
Telephone No. (202) 234-0340

Partnership for Productivity was founded in 1969 as a non-profit corporation with private sponsorship directed toward supporting and promoting small enterprises in developing countries as a means of increasing employment and incomes among the rural and urban poor and of providing goods and services low-income people need for an improved quality of life. PfP has sought to give particular emphasis to the informal sector (the smallest enterprises) in the rural community. At the same time, it is PfP philosophy that the whole range of businesses (large and small) is important to the development and well-being of the community. It supports new and existing entrepreneurs who have a sense of individual and community responsibility and a willingness to try new approaches and to take risk. There are no size requirements for participation in PfP programs.

PfP describes its approaches to SSE development in terms of the "tools" used to promote such activities. These include:

- o Appropriate management assistance (a training process which teaches accounting and other business skills to people with no commercial education and who are illiterate);

- o Training in the use of credit and commercial banking services as well as how to do business plans and economic feasibility studies;
- o Identification of appropriate technologies, machines and agricultural practices that boost productivity and that are suitable to local tastes, resources and service facilities;
- o Vocational education;
- o Leveraging of funds and services from commercial banks, wholesalers and others who could benefit Pfp's clients.

In using these "tools", Pfp seeks to put an assistance "package" together that responds to the specific problems of the SSEs it seeks to serve. After careful studies of the problems and resources of a local economy, culture and society, Pfp seeks to design a program, often experimental, that will best fit with a local situation and solve the problems faced by individual entrepreneurs.

Pfp has had a substantial measure of success in various modes of approach through business extension, business start-up, linkage between a major corporation and the community on which it depends for its labor, vocational education and integrated technology, etc. This can in part be attributed to Pfp's willingness to take the time to do an in-depth analysis of a particular situation and adapt an approach to that particular setting. This flexibility has been credited with giving Pfp especially good acceptance in the communities where it works both with clients and the public. It has experienced some difficulties, however, when less solid links than were shown by experience to be necessary had been set up with the local government authorities of the Eastern ORD in Upper Volta. On the other hand, its low-cost "bicycle brigade" system of business extension using trained local agents appears to be one of the few cost-effective means of reaching and supporting the informal sector of smallest scale enterprises. Also, the work

done to provide services through SSE in a community linked to a large multi-nationally-owned mining enterprise in Liberia is a unique model for building independence in the community and a broader base for visibility.

2. Technoserve (TNS)

Address: 11 Belden Avenue, Norwalk, Conn. 06852  
Telephone No. (203) 846-3231

Technoserve is a private, non-profit organization which works with low-income people and development institutions in Africa and Latin America. Its goal is to help improve the economic and social well-being of low-income people in developing countries through the self-help enterprise development process. Since it was started in 1968, TNS has assisted more than 150 enterprises in more than a dozen countries, the majority of which have been enterprises and cooperatives with a fixed assets range between \$25,000 and \$250,000. TNS assistance is always in response to local initiative.

Technoserve helps smaller-scale enterprises in several ways. Through its field offices in selected Latin American and African countries, TNS routinely carries out socio-economic surveys, pre-feasibility and feasibility studies before selecting and implementing viable projects. It has focused its management and organizational assistance efforts mainly, but not exclusively, on cooperatives and savings and finance institutions. In addition, TNS has also provided significant assistance to enterprises which carry out livestock and primary agricultural production activities. TNS works with cooperatives which generally serve enterprises other than strictly non-farm, small-scale enterprises. It serves businesses who deal with the processing and marketing of the agricultural products of individual farmers. Examples of TNS projects dealing with non-farm SSE's include a small grocers' cooperative and a clothing factory, both in El Salvador.

In 1980, TNS received funds totalling \$2.108 million, an increase of about \$300,000 over 1979. Nearly 50 percent of Technoserve's support comes from AID: AID/W (24 percent) and USAID Missions (34 percent). Other support comes from church organizations (11 percent), corporations foundations and individuals, (14 percent) host country institutions (9 percent) and revenues generated from projects (8 percent). Technoserve has been the recipient of two AID matching grants, one in 1972 and one in 1979.

Technoserve's approach to non-farm SSE development combines institutional development, supply of technical assistance and training. It strengthens savings and credit cooperatives which serve SSEs as well as individuals, in accounting, organization and management and investment strategies. A few development/finance intermediaries with which TNS has had contact include the Botswana Development Corporation, the Cameroon National Rural Development Fund, the El Salvador Small Business Financing and Guarantee Fund, the Nicaragua National Development Bank, and the Peru Development Finance Corporation.

Evaluation of Technoserve's Kenya program, as an example, which includes TA to three savings and credit institutions indicates that its approach to institutional development is a success. TNS management and account systems, policy advice and training have been labeled an "unqualified and cost-effective success."

TNS has had a variety of experience in different programs with varying degrees of success. Its approach of relating primary producers to processor/marketing entities is a technique which was developed to achieve a greater spread effect. It is not an unqualified success but it will continue to be attractive and deserve more thorough appraisal.

3. The Institute for International Development, Inc.  
Address: 360 Maple Ave. W., Vienna, Virginia  
Telephone No. 281-5040

The Institute for International Development, Inc. (IID), has been operating as a PVO for nearly ten years. Its objective is to create jobs in developing countries through entrepreneurial enterprise, thus alleviating unemployment and providing income for the poor majority. IID seeks to establish businesses, the majority of which are agriculture- or food-related, through the provision of loans and resources of the U.S. private sector. IID responds to proposal request from potential entrepreneurs in LDCs and matches them with U.S. businesspeople with appropriate resources willing to participate as "investor/sponsors". These sponsors support their counterpart LDC entrepreneurs through provision of technology, critical analysis of potential projects, training, and investments and loans sponsors in many cases visit their LDC counterparts at their own expense.

IID presently works in Honduras, Colombia, Indonesia and Kenya, but originally had operations in four others. Following an evaluation which found IID to be overextended, it concentrated efforts in the first three and only recently in Kenya. Plans for FY 1982 include expansion to Peru, Dominican Republic and the Philippines. Of 56 projects underway in 1980, 25 percent had total investment capital of over \$25,000, 34 percent between \$10,000 and \$20,000 and 41 percent under \$5,000. IID's mean loan is between \$3,000 and \$4,000; loans go as high as \$20,000. Ninety percent of IID loans, however, are under \$10,000. IID will not give financing to entrepreneurs who can obtain loans through normal bank channels. IID has three sources of loan funding: the IID revolving fund, OPIC grants and loans, and private investors, i.e., individuals interested in supporting a particular project. IID's revenues come from corporations, individuals, foundations, AID, other government grants and loans to projects, and the IID revolving fund.

IIDI's approach uses a combination of financial assistance, technical assistance, and training. It uses a standard procedure which it replicates from country to country. Prospective entrepreneurs come to IIDI field offices with proposed projects. IIDI staff assist them in developing business plans, financial projections, etc. These plans are reviewed in the field offices and in the U.S. home office. IIDI works in Christian-related network, using it as a screening mechanism. Once a project is approved, funds are turned over to the entrepreneur, sometimes gradually, according to the previously-determined business plan. IIDI then withdraws from the project, not becoming involved in operating decisions. Typically, entrepreneurs attend training sessions at the project start-up point, or just before, at IIDI entrepreneurial training centers. AID matching grants from centrally funded sources have provided for the establishment of these training centers in each of the countries in which IIDI works. (See page 3, Annex B). These sessions are held with 20 to 25 IIDI entrepreneurs three or four times a year. Courses use prepared materials and content includes simple accounting, personnel management, and business planning.

IIDI field offices work toward the goal of developing the capability of host country nationals to carry on operations alone. When the field office is self-sustaining, IIDI personnel phase out. Rather than growing larger in a few countries, IIDI prefers to move into other countries.

IIDI conducted a self-evaluation in collaboration with a contractor in the fall of 1980. Inputs from field offices, investor/sponsors, and entrepreneurs showed both weaknesses and strengths.

4. International Executive Service Corps (IESC)  
Address: 622 Third Avenue, New York, N.Y. 10017  
Telephone No. (212) 495-6808

The International Executive Service Corps was organized in 1964 by a group of American businessmen, headed by David Rockefeller of the Chase Manhattan Bank, to help speed economic growth in the developing countries. While financially supported in part by the United States Government, IESC also receives assistance from some 400 major U.S. corporations and a number of leading companies in the host nations. It is managed independently as a not-for-profit corporation in New York.

Frank Pace, Jr., a former Secretary of the Army and chief executive of the General Dynamics Corporation, is president. Robert S. Hatfield, recently retired chairman of The Continental Group, Inc., is chairman of the IESC Board, and C. Peter McClough, chairman and chief executive officer, Xerox Corporation, heads the executive committee.

IESC recruits experienced executives to volunteer for short-term assignments abroad as management advisers to locally owned firms of almost every description. Most volunteers are recently retired; some are still active in business and are made available by their U.S. companies. Travel and living expenses are paid for executive and spouse, but there is no other compensation. The foreign firm makes a substantial contribution toward the cost of its project.

Since January 1965, IESC volunteer executives have completed about 7,800 projects in 69 countries of Latin America, the Middle East, Southeastern Europe, Africa, South and East Asia and currently about 200 cases are handled per year. They have helped improve food production and health care, textile and apparel manufacture, investment and banking practices, construction methods and transportation systems, industrial processes, merchandising and marketing programs, mining and natural resources development, government and educational services, communications and tourist facilities.

Information about current recruiting needs can be obtained from the Vice President for Executive Operations, IESC, 622 Third Avenue, New York, New York 10017.

At its funding IESC received substantial support from AID (70 percent of its total revenue) and from contributions from U.S. private contributions (17 percent). Currently, IESC receives about 50 percent of its funding from AID and 50 percent from its project clients and corporate funds. In 1981 AID granted an additional \$5,000,000 as an annual increment of a 5-year (FY 78-FY 82) \$23,200,000 Institutional Support Project (932-0001). This project is scheduled to be transferred from the Bureau of Science and Technology to the Bureau of Private Enterprise.

IESC has been criticized in the past for not reaching small business adequately, although it now estimates that over 50 percent of its projects focus on small enterprise. IESC defines small enterprises as those with 150 or fewer employees and/or between \$50,000 and \$3 million gross annual sales. IESC requires a fee proportionate to the size and financial capability of each of its clients. It believes that for a firm to benefit from IESC assistance it must be large enough to pay even a small fee and be capable of fully utilizing the volunteers's services. In order to defray costs to its smaller clients, IESC has attempted to work with homogenous groups of entrepreneurs with similar problems, charging "group rates". IESC must, however, work with a significant number of large firms if it is to meet its budget requirements.

IESC considers its approach to be successful in 95 percent of its projects. It measures its own success by the success of its clients, their accomplishments and growth, and how IESC has contributed to them. Reasons for failure include the "wrong" volunteer, an unsatisfactory counterpart, and insufficient

time with the head of a particular enterprise due to over-extension of the entrepreneur in working with other entrepreneurs of the same group.

IESC has been criticized in the past for insufficient project screening, high fees, and for sending volunteers out of touch with their particular specialties. Critical comments did not involve IESC's approach itself. Recent evaluation shows that IESC has attempted to correct these shortcomings and has succeeded to a substantial degree.

Other AID funded PVO's working in the private enterprise field in Africa are:

Booker T. Washington Foundation (Training for Small Business-Cameroon)

CARE (Cottage Mohair Industry in Lesotho)

Community Development Foundation (North Cameroon Pilot Community Development Project)

YMCA (Integrated Youth Development-Senegal)

Volunteers in Technical Assistance (has provided short term assistance in various African countries.)

## BRIEF DESCRIPTION OF PERTINENT AGENCIES AND PROGRAMS

U.S. GovernmentA. Overseas Private Investment Corporation (OPIC):

OPIC was created by the Foreign Assistance Act of 1969 "to mobilize and facilitate the participation of United States private capital and skills in the economic and social development of less developed friendly countries and areas, thereby complimenting the development assistance objectives of the United States." OPIC operates three main programs: (1) it insures U.S. private investments against certain political and non-commercial risk in less developed countries, including inconvertibility of funds, abrogation of contracts by governments, and losses due to expropriation, nationalization, confiscation, war, revolution or insurrection; (2) it provides loans and all-risk loan guarantees; and (3) it provides pre-investment assistance in finding, defining and establishing investment projects in those countries. OPIC programs and funds are available to cover U.S. private investments in over ninety countries with which the United States has agreements, including much of Black Africa. Loans are made by OPIC to new or expanded foreign enterprises on a medium to long term basis, usually without a guarantee by the sponsoring investor company or host government, at interest rates about two percentage points above prevailing U.S. Treasury borrowing rates for comparable maturities. OPIC's pre-investment assistance includes counseling on the investment climate and laws of prospective project countries, financing a feasibility study and pilot projects, disseminating investment opportunity information through publications and conferences and in advisory services in planning and establishing projects. OPIC provides preferential services, particularly pre-investment assistance, to "smaller businesses," defined as companies with smaller annual revenues than the top 1,000 of Fortune magazine's list of industrial companies.

B. Productive Credit Guaranty Program.

This program was authorized by the Congress under Section 222A of the FAA of 1961, as amended in 1974 to transfer authority from OPIC to AID. The guaranty authorization was set at \$20 million, and is limited to Latin America. As of late 1979, projects had been authorized in Bolivia, Costa Rica, Nicaragua, and Paraguay, with total authorized liability of \$12 million. However, only \$4.3 million in loans was outstanding, and AID had not been required to make guaranty payments on any loans made under the programs in the four countries. Current status of the program in Nicaragua is not known.

The basic features of the program are as follows:

1. AID enters into an agreement with the central bank which provides a guaranty of 75 percent of every eligible loan made by a participating lender, if resources in the reserve fund are not sufficient

to cover the default. AID's total guaranty liability is limited to 50 percent of the aggregate outstanding principal amount of loans made in any one year by a participating lender.

2. Eligibility requirements are established which restrict loans to specified geographic areas, maximum size of loan for several classes of borrowers, terms and interest rates. Farmers as well as small businesses are eligible for loans.
3. Loan applications are reviewed by the participating lender and referred to a special administrative unit in the central bank for approval or rejection. If approved, the cost of the review will be added to the principal of the loan, as well as any technical assistance provided to the borrower during the first year.
4. Borrowers approved under the program pay up to 5 percent of their loan for deposit in a loan guaranty fund administered by the central bank. It is anticipated that after the first few years the fund will be sufficient to cover losses, thereby reducing the risk exposure of the lender as well as AID.

#### C. Housing Guaranty Program (HIG):

The HIG program provides full guaranties for private sector loans to LDCs for the development of shelter and related urban activities. The methodology employed includes AID's preparing a shelter sector assessment in each host country which requests assistance, the borrower's obtaining a U.S. private sector loan at the most favorable terms possible, and then AID's providing a full guaranty to the lender. Loans are usually made at rates near those of domestic U.S. mortgage loans for 20-30 years. A 1 percent initial fee and  $\frac{1}{2}$  percent annual fee on the unpaid balance are charged to cover operating expenses and supplement a revolving reserve fund, which enables the program to be fairly self-sufficient. The HIG program has generated broad market appeal; the loans are publicly underwritten and sell at a premium yield of 75 basic points over long-term Treasury securities; the success of the program is largely attributed to the full faith and credit guaranty behind it.

#### D. Export-Import Bank (Eximbank):

The Eximbank facilitates U.S. exports through credit support at below market rates in the form of loans, guarantees and insurance. Overseas buyers and exporters and banks in the United States are eligible as long as U.S. goods and services are involved.

#### E. Trade and Development Program (TDP):

This program promotes development-related U.S. private and public sector project implementation contracts with friendly countries through grant-funded pre-project activities. Special focus is placed on middle income countries and those which are "aid-graduates." Major activities include pre-project studies, feasibility studies and technical orientation visits which are expected to lead to implementation contracts for significant U.S. exports funded by other than U.S. and other donor concessional assistance. All services of TDP are restricted to U.S. sources.

## Private U.S. Agencies

### A. Latin American Agribusiness Development Corporation (LAAD):

The Latin American Agribusiness Development Corporation (LAAD) was founded in 1979 and is now owned by one Dutch and fifteen U.S. corporations. USAID provides most of its debt finance at 3 percent annual interest. It finances (with both debt and equity) agricultural entrepreneurs in Central America, Chile, and the Caribbean. LAAD works with the entrepreneurs to develop their management and marketing capabilities. It lends for periods of up to ten years in amounts of up to \$600,000. Before investing in a project, LAAD assesses the impact of the investment on the country's foreign exchange earnings, employment, and the small farmer.

### B. The Agribusiness Council:

The Agribusiness Council encourages U.S. corporations to fund projects and entrepreneurs in developing countries. The Council builds relationships with developing country governments and corporations in an attempt to identify suitable subsectors and projects for investment. It then arranges a "Forum" in the United States for companies to meet potential LDC partners. Corporations interested in investing join a Council-sponsored mission to the target country. At that point, corporations and LDC partners begin direct negotiations on projects.

### C. Central American Bank for Economic Integration (CABEI):

A loan agreement between AID/ROCAP and CABEI for \$15.0 million and \$5.0 million in counterpart funds was signed in February 1977. These funds will be channeled through CABEI to 25 intermediate credit institutions for on-lending for agribusiness projects in Central America. As of early 1980, 40 subloans had been identified and approved or were under consideration, chiefly in Costa Rica and Guatemala. The major objective of the project is to test the feasibility of utilizing regionally-based intermediate credit-banking mechanisms as a means of funding rural agribusiness enterprises that will have a clear direct benefit to the rural poor.

### D. Private Export Funding Corporation (PEFCO):

A private sector corporation owned by U.S. commercial banks and exporters which, with Eximbank guarantees, borrows on the private capital markets and relends for exports.

### E. Foreign Credit Insurance Association (FCIA):

A private sector association of some 50 insurance companies which insures repayment of export credit, with Eximbank support, against non-payment due to political and/or commercial causes.

F. Caribbean/Central American Action, Inc. (C/CAA):

This corporation was formally created on April 9, 1980 as a result of Governor Graham of Florida being asked by President Carter to organize and lead a private sector effort responsive to the needs of Central America and the Caribbean. The board of trustees of this corporation consists of representatives of 53 U.S. companies. This corporation emphasizes the creation of an action network which puts local entrepreneurs in contact with U.S. enterprises in a meaningful, mutually beneficial way. It's main objective is "to mobilize private sector resources to meet developmental needs and to enhance the strength and diversity of the private sector through creative contacts and joint efforts that highlight individual initiative"

The International Bank for Reconstruction and Development (The World Bank Group)

The World Bank group consists of three institutions: the Bank or the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), and the International Finance Corporation (IFC).

A. The International Bank for Reconstruction and Development (IBRD):

The bank was founded in 1944 at the Bretton Woods Conference. Today, it is owned by over 130 member countries. The world's largest development institution, it lends to governments for productive projects in the following sectors: agriculture and rural development, Development Finance Corporations, education, energy, industry, population, tourism, telecommunication, transportation, urban services, and water supply. It lends for periods averaging 20 years at its borrowing cost plus a spread of 0.5 percent.

B. International Development Association (IDA):

The International Development Association (IDA) is owned by 121 government members. It lends to the poorest countries that can absorb long-term development lending for periods of up to 50 years with a 0.75% administrative charge and a 10-year grace period on payments. IDA loans are made by IBRD staff and are guaranteed by borrower governments.

C. International Finance Corporation (IFC):

The International Finance Corporation (IFC) is owned by 109 member countries. It makes loans and investments to private corporations and state-owned enterprises without government guarantees in the following sectors: heavy industries, light industry, fuels and minerals, capital markets, agro-industry, and services. It provides and brings together "financing, technical assistance, and management needed to develop and promote investments....In all of its activities the Corporation wants to raise investor confidence. The Corporation seeks to encourage the flow of private capital through the establishment or expansion of local capital markets and financial institutions."

## Development Finance Corporations (DFC's):

Individual governments in conjunction with the World Bank, CDC, and private investors have formed Development Finance Corporations (DFCs) in housing, tourism, and, to a very limited extent, agro-industry. Other objectives of DFCs include development of local capital markets and financing of entrepreneurs. DFCs lend to and invest in state-owned enterprises, corporations, and entrepreneurs for periods of up to ten years. Charging less than market interest they are often "a privileged credit circuit." The DFCs are dependent on nonmarket sources of capital.

## Other Organizations Involved in African Enterprise Development

### A. African Development Bank (AFDB):

The African Development Bank (AFDB), the African Development Fund, and the Nigeria Trust Fund lend to African governments for periods of 20 to 50 years in amounts up to \$10,000,000 at eight percent interest (less for the Fund). The Bank frequently cofinances projects with other development institutions. The Bank and Fund lend to all sectors.

### B. Commonwealth Development Corporation (CDC):

The Commonwealth Development Corporation was founded and is owned by the United Kingdom government to encourage the development of profit-making projects in Commonwealth countries, and more recently in other developing countries. Corporations, state-owned enterprises, governments, and Development Finance Corporations borrow for periods up to 25 years for projects in the following sectors: plantation crops, agro-industry, housing, tourism, and manufacturing. In agriculture, CDC makes long-term investments in projects with lengthy start-up periods. CDC will provide project management and project feasibility analysis to borrowers for a fee.

### C. Fonds de Recherche et D'Investissement pour le Developpement de l'Afrique (FRIDA):

FRIDA was founded by Diego Hidalgo. Its "ultimate objective is to create productive employment in developing countries, but it wants to start its operations by concentrating its financial and technical assistance in the least privileged countries in Africa and the Arabian peninsula. This choice determines the priority sector FRIDA wants to develop: labor-intensive industries including handicrafts. Because of the limitation on the internal markets, a significant proportion of the production of these industries should be geared to exports." FRIDA both invests and provides management services. Its partner in projects is usually a state-owned enterprise.

### D. Societe International Financiere pour les Investissements et le Developpement en Afrique (SIFIDA):

SIFIDA was founded and is owned by over 100 banks and agribusiness from 17 countries. It hopes to "supplement the efforts of international development agencies in the public sector by concentrating on the mobilization of private enterprise and venture capital, as well as market borrowings for the promotion of profitable and well-managed projects whenever such an operation is acceptable to the government concerned."

E. The International Fund for Agricultural Development (IFAD):

The International Fund for Agricultural Development (IFAD) is owned by 125 governments in three categories: developed, developing - oil exporting, and developing - nonoil exporting. IFAD lends only to governments for "projects and programs specifically designed to introduce or improve food production systems...taking into consideration the need to increase food production in other developing countries and the importance of improving the nutritional levels of the poorest population in developing countries...."

F. Food and Agriculture Organization (FAO) - Investment Centre:

The Investment Centre works with governments and financial institutions to devise development projects that countries need to improve their food and agricultural production. The Centre analyzes project feasibility studies for member governments in conjunction with financing institutions. In a Cooperative Program with the World Bank, FAO prepares one-third of World Bank agricultural lending. It also assists IFAD and the AFDB.

# LIST OF AFRICAN MANAGEMENT TRAINING INSTITUTIONS

## Anglophone Institutions for Management Training in Africa

### Regional

#### A. Eastern and Southern Africa Management Institute (ESAMI), Arusha, Tanzania

Offers about 40 short-term courses for personnel in the public and private sectors in the areas of international trade and export promotion; public finance and taxation; transportation and communication management; management of health services; and agriculture and rural development management. Also offers a 12-month management course; consultancy services; and seminars for client organizations. ESAMI was established in 1974 to serve the management training needs of the East Africa Community. It survived the dissolution of the community and is now a well-regarded and largely self-sufficient regional institution.

#### B. Pan African Institute for Development (PAID)

PAID's two anglophone institutes are located in Buea, Cameroon and Kabwe, Zambia. (Francophone institutes are in Cameroon and Upper Volta.) PAID is a private, non-profit African organization concerned primarily with rural development. Most of its courses and seminars are designed to improve the planning and management skills of middle-level officials in public agencies and PVOs. PAID recently expressed interest in expanding its program to cover management training for agro-based enterprises.

#### C. The American University of Cairo

Offers an undergraduate degree in business administration; a one-year diploma program in management; a master's program with specializations in enterprise management, information systems and development administration; non-degree executive training programs (public and private sectors); and non-degree courses in management-related areas and commercial and industrial training.

## II. Nigeria

#### A. Nigerian Institute of Management, Lagos

NIM is the principal management institution in Nigeria for the private sector. Conducts a range of courses for supervisors and middle and upper-level managers, including an Advanced Management Program for senior executives. Publishes a monthly journal, "Management in Nigeria".

#### B. University of Lagos, Faculty of Business Administration

Has 3-year undergraduate program; programs for MBA, M.Sc., and Ph.D.; and short-term executive programs. Departments of accounting; business administration; actuarial science and insurance; finance; and a "Research and Advisory Services Unit". Received AID-funded assistance from NYU, 1962-70. Probably the strongest faculty of business administration in Nigeria. Publishes "Nigerian Journal of Management".

Nigeria (continued)

C. University of Nigeria, Nsukka (Enugu Campus), Faculty of Business Administration

Offers 3-year undergraduate and 2-year MBA programs in accounting, marketing, finance and management. Collaborates with the Institute of Management and Technology (at Enugu) in consulting and training programs for practicing managers. The university also has an Economic Development Institute which received AID-funded assistance from Michigan State.

D. Ahmadu Bello University, Zaria, Institute of Administration

The university offers a 2-year diploma course and a 3-year bachelors in accounting and business. The institute is a professional school in public service and business management fields which offers MPA and extensive in-service training courses for senior personnel. Received AID-funded assistance from the University of Pittsburgh, 1962-1973. The university also has a Rural Economy Research Unit and a Center for Economic and Social Research.

E. University of Ife, Institute of Administration

Offers MBA and MPA programs and 6-month course for senior public officials. Received AID-funded assistance from the Universities of Massachusetts and Connecticut for training in project analysis for graduate students and government officials.

F. University of Ibadan

Nigeria's most prestigious university. Management courses are conducted within the Faculty of Social Sciences. Nigerian Institute of Social and Economic Research (NISER) is located at the university.

G. Other universities:

- Bayero University, Kano, Faculty of Social and Management Sciences (1977)
- University of Maiduguri, Faculty of Social and Management Studies (1975)
- University of Sokoto, Faculty of Social Sciences and Administration (1977)

H. Other programs:

Industrial Training Fund

A government scheme to reimburse companies for authorized training programs, including supervisory and management training.

Centre for Management Development

A coordinating body for all management development activities in Nigeria. Assisted by ILO.

National Institute for Policy and Strategic Studies

Offers courses, seminars and research for top level executives and

### III. Kenya

#### A. University of Nairobi, Faculty of Commerce

Offers undergraduate programs and MBA. Has received CIDA-funded assistance from the University of Alberta.

#### B. Kenya Institute of Management

KIM conducts a wide range of short courses for middle-level managers, primarily from the private sector. Has small permanent staff but most courses are conducted by members of the Faculty of Commerce from the University of Nairobi or by local and foreign managers. Also offers a 3-week Advanced Management Program. Leading industrialists serve on KIM's board. Publishes a bi-monthly journal, "Management".

#### C. Kenya Institute of Administration

KIA is under the Directorate of Personnel Management, Office of the President. Offers courses for civil servants and some private sector managers.

#### D. Kenya Polytechnic, Business Studies Department

Offers courses in management, accountancy, banking and secretarial training; a two-year diploma course in business administration; and a one-year evening course for "Advanced Students of Management".

### IV. Tanzania

#### A. University of Dar es Salaam, Faculty of Commerce and Management

Offers Bachelor of Commerce and MBA degrees. Over 40 courses in marketing, finance, accountancy, production.

#### B. Institute of Development Management, Mzumbe

Provides training for managers of para-statal. Responsible to the Ministry of Manpower Development.

#### C. Institute of Finance Management

Offers a 3-year course in banking, insurance, accountancy, and tax administration; one-year course in financial management; and short courses for practicing managers.

### V. Sudan

#### A. University of Khartoum, Department of Business Administration, Faculty of Economics and Social Studies

Offers B.Sc. in accounting, business administration and statistics; master's and Ph.D. in Business Administration. Collaborates with the Sudan Centre for Management Development and Productivity.

Sudan (continued)

B. University of Cairo (Khartoum Branch), Faculty of Commerce

Offers B.Com., M.Com., and Ph.D. Com. in departments of business administration; accounting; economics; and mathematics, insurance and statistics.

VI. Ghana

A. University of Ghana, School of Administration

Offers B.Sc. in accounting, business management and public administration; MBA and MPA programs; and non-degree courses and seminars in business and administration fields. The Institute of Statistical, Social and Economic Research (ISSER) is part of the university.

B. Ghana Institute of Management and Public Administration (GIMPA)

Offers 9-month graduate diploma in public administration and shorter courses and seminars in management and administration.

VII. Liberia

University of Liberia, College of Business and Public Administration

Undergraduate program in management and economics.

VIII. Malawi

University of Malawi, The Polytechnic (Blantyre), Faculty of Business Studies

Undergraduate<sup>n</sup> program in business administration and accounting. A Management Centre is also located at Blantyre.

IX. Swaziland

University College of Swaziland, School of Commerce

Undergraduate program.

X. Uganda

Makerere University, Faculty of Social Sciences, Department of Commerce

Offers B. Com. and master's degree.

XI. Zimbabwe

A. University of Zimbabwe

Undergraduate programs in administration, business and commercial subjects.

Zimbabwe (continued)

B. Institute of Business Development

Trains small entrepreneurs in accounting and management skills.  
Offers courses at various locations throughout the country.

Francophone Institutions for Management Training  
In Africa

I. Regional

A. African Centre for Research and Training in Development  
Administration (CAFRAD), Tangiers, Morocco

- Offers tailor-made outreach seminars (short-term) upon request. This school has developed a poor reputation in recent years.

B. Pan-African Institute for Development (IPD) Douala with branch in  
Ouagadougou

- Full time program in Development Economics; short-term training on request in Management of Enterprise and Cooperatives. IPD is a solid institution but the Ouagadougou branch is young.

II. Algeria

Ecole Superieure de Commerce (ESC)

- Three year full-time program in Finance and Accounting, Marketing and Trade, Business Administration, Development Planning.

III. Ivory Coast

A. Ivorian Center for Business Management

- Short to mid-term training in Accounting, Finance, Personnel Management, Marketing, Organization for Public and Private Sectors.

B. Ecole Superieure de Commerce d'Abidjan

- Ten to five year programs in Management of Business and Public Corporations including Finance and Accounting.

IV. Mali

Institute for Management and Productivity (IPGP)

- Short and long-term training in Management and Accounting

V. Morocco

School of Commerce and Business Administration

- four to six year programs in Financial Management in Public and Private Sectors.

IV. Senegal

A. Center for Administrative Training (CFPA)

- two year programs in mid-level administration including Accounting and Financial Management.

B. (Proposed) Higher Level of Business Administration (ESGE)

- will offer equivalent of MBA, starting in 1981 - may become regional.

VII. Tunisia

School of Management (ISG)

- offers short and long-term training in variety of management related fields including Financial Management, Accounting and Forecasting. This school has an excellent reputation.

VIII. Upper Volta

Institute of Technology (IUT)

- offers two year program (mid-level) in Management with concentration in Finance, Accounting and Marketing.

IX. Zaire

There are several Economics and Management training institutions in Zaire including:

A. University School of Economics

- offers degree programs in General and Applied Economics including Financial Management, Technical Management, Foreign Trade and Business Management.

B. Two Schools of Commerce

- Kinshasa, and Kisangani, both offering university level training in finance and computer sciences.

COMMENT: Virtually all Francophone African states have a National School of Administration (ENA). These schools are usually prestigious and prepare students for government service.

PED PROJECTS FUNDED BY AID, IBRD, UNDP, ILO AND UNIDO  
1974 TO PRESENT  
BY NUMBER PER COUNTRY

Region/Country	AID	World Bank	Funding Agencies			Totals
			UNDP	ILO	UNIDO	
<u>Africa</u>						
Benin		1			2	3
Botswana	2	1				3
Burundi		1			1	2
Cameroon	2	1	1	1		5
Comoros					1	1
Congo					1	1
Djibuti	1					1
Ethiopia	1				2	3
Gabon				1		1
Gambia		1		1		2
Ghana	2		1		3	6
Guinea-Bissau					2	2
Ivory Coast	4	3		2	1	10
Kenya	2	4		1	2	9
Lesotho	1	2			1	4
Liberia	2	1			2	5
Madagascar		1		1	2	4
Malawi				1	2	3
Mali	1	2			2	5
Mauritania		1				1
Mauritius		2			1	3
Niger		1			3	4
Nigeria		1			2	3
Rwanda		1				1
Senegal	1	1			1	3
Seychelles			1			1
Somalia		1				1
Sudan			1			1
Swaziland		1		1	2	4
Tanzania	1	2			2	5
Togo					4	4
Uganda					2	2
Upper Volta	3	2		3	2	10
Zaire					1	1
Zambia		1			3	4
Central/West Africa Regional	1				3	4
Africa Regional	1				1	2
<b>TOTALS</b>	<b>26</b>	<b>32</b>	<b>4</b>	<b>12</b>	<b>51</b>	<b>125</b>

Source: PPC/E/S survey prepared by Devres Associates, Inc.

Comment: The total number of AID projects indicated above is higher than the actual number of projects implemented because different phases of the same project have been counted separately. As the above table indicates the efforts of the UN, the World Bank and the ILO in the private enterprise development (PED) are already very large. It appears that the World Bank is fast becoming a leader in this field and if the recommendations of its recent report, "Accelerated Development in Sub-Saharan Africa: An Agenda for Action (August 1981)," are followed it will undoubtedly increase its contribution to PED in Africa in the very near future. The World Bank's well developed PED administrative capacity, its structural ability to link credit programs with the implementation of specific projects and its flexibility in the use of non-U.S. goods and services are a few of the advantages the World Bank enjoys over AID.

There has been substantial literature produced by the World Bank, UNIDO, and ILO on the subject of PED. Although most of this literature is five to ten years old, much of it is just as relevant today as it was when it was written. Certainly, much of this literature as well as that produced by AID, should be reviewed to avoid duplicating work already done and repeating past mistakes. Of special interest would probably be a review of the ILO's Small Enterprise Development Program and its Jobs and Skills Programme for Africa.

LIST OF DIRECTORIES OF AGENCIES PROVIDING TECHNICAL  
ASSISTANCE TO PRIVATE ENTERPRISE DEVELOPMENT

---

1. *Appropriate Technology--A directory of activities and projects*, National Science Foundation (r.a.n.n.) (Washington, D.C., 1977).
  2. *Small Industry--Development Assistance Abroad*, American Council of Voluntary Agencies for Foreign Service, Inc., Technical Assistance Information Clearing House (New York, December 1976).
  3. *Management and Productivity--An international directory of institutions and information sources*, International Labour Office (Geneva, 1976).
  4. *Directory of Consultants to Small Rural Industries*, International Development Data Center, Georgia Institute of Technology (Atlanta, Georgia, October 1975).
  5. *Extension Services, Training and Technical Facilities for Small-Scale Industries*, UNIDO/ISID/45/Add.1/Rev.1 (July 1975).
  6. *Small and Medium Industry Development*, US Agency for International Development, Bibliography Series (Washington, D.C., No. 1, 1974).
  7. *Technical Services for Small-Scale Industries*, United Nations Publications No. E.70..T.B.19 (New York, 1970).
  8. *Small Industry Advisory Services: An International Study* by Joseph E. Stepanek, Stanford Research Institute (Glencoe, Illinois: The Free Press, 1960).
- 

Source: *Employment and Development of Small Enterprises*, Sector Policy/Paper, P. 39, Washington, D.C., World Bank, February 1977.

LIST OF "TYPICAL" AFRICAN BUSINESSES

JEWELERS (GOLD AND SILVERSMITHS, ETC.)	LAUNDRIES
LEATHER GOODS PROJECTION	BUTCHER SHOPS
PAINTING (CONSTRUCTION, CARS)	BARBER SHOPS
PHOTOGRAPHERS/FILM DEVELOPMENT	BEAUTY PARLORS
CEREMIC PRODUCTION (POTS, VASES, ETC.)	ELECTRICAL WORK (CONSTRUCTION, CARS)
WOOD CARVING	WATCH REPAIR
CLOTH DYING	MECHANICS - VEHICLE/MOTORCYCLE/ BICYCLE REPAIR
CLOTH WEAVING	PLUMBING COMPANIES
BASKET AND MAT MAKING	RADIO AND T.V. REPAIR SHOPS
BAKERIES AND PASTRY SHOPS	TIRE REPAIR
HAT MAKING	TRANSPORT (TAXIS, TRUCK, BUSES - PASSENGER AND GOODS)
BRICK AND TILE MAKING	RESTAURANTS, BARS AND NIGHTCLUBS
TAILORS AND SEAMSTRESSES	SMALL RETAIL SHOPS (GENERAL STORES, CLOTH MERCHANTS, LOCAL PRODUCE, ETC.)
MATTRESS MAKERS	OPEN MARKET TRADERS, RETAILERS AND LOCAL MARKETING AGENTS
METAL WORKING (WELDING, BLACKSMITHING)	MILLING (GRIND CEREAL GRAINS INTO FLOUR)
SMALL FOUNDRIES	HEALTH CLINICS
PRINTING	PRIVATE SCHOOLS
CONSTRUCTION FIRMS	NEWSSTAND
TANNING AND LEATHER MAKING	MOVIE THEATERS
WOODWORKING AND FURNITURE MAKING	
PAPER MAKING	

ICE CREAM AND ICE MAKING

POULTRY RAISING

SMALL HOTELS

REFRIGERATION/AIR CONDITIONING REPAIRS SHOPS

ROCK AND SAND QUARRIES

PHARMACIES

## BIBLIOGRAPHY

Anderson, Dennis. "Estimating the Economic Benefits of Small-Scale Enterprise Credit Projects (first draft)," Washington, D.C.: World Bank, May 1978.

Anderson, Dennis and Leiserson, Mark W. Rural Enterprise and Nonfarm Employment, Washington, D.C.: World Bank Paper, January 1978.

"An Employment Strategy for Zimbabwe (draft)," Washington, D.C.: RAD/DSB, A.I.D., 1981.

Annual Report 1978-79, Association Internationale des Etudiants en Sciences Economiques et Commerciales (AIESEC), Brussels: International AIESEC Secretariat, (no date).

Barton, Clifton G. Overview of USAID Assistance to Small Enterprise Development, Washington, D.C.: RAD/OSB, A.I.D.

Berg, Elliot and others. Accelerated Development in Sub-Saharan Africa: An Agenda for Action, Washington, D.C.: World Bank Report No. 3358, August 1981.

Cackler, Mark E. and others. "The Corporation for African Agricultural Development (CAAD)," Cambridge: African Agricultural Group, Harvard Business School, May 1981.

Colvin, Lucie G. "Private Initiatives in the Senegalese Economy - Potential Modes of AID Assistance," prepared for USAID/Senegal, Dakar: July 1980.

"Concept and Background Papers (list follows) - Small Scale Enterprise Development, Capital Saving Technology and Employment Generations," Washington, D.C.: Agency for International Development, August 1980.

Concept Papers

- Small Enterprise Approaches to Employment
- Agribusiness Intermediary Center for Intermediary Services
- Agribusiness Development and Support (USDA RSSA)
- International Small Business
- Investment Companies
- Commercial Seed Industry
- Commercial Enterprises
- Small Rural Enterprise Development
- Labor Based Public Works
- Nonformal Education for Out-of-School Youth
- Integrated Labor Force
- Labor Force Planning, Development and Utilization

Background Documents

- Employment as a Priority Objective of A.I.D. Development Assistance
- DCC Policy Paper, Evaluation of the Basic Human Needs Concept
- Report to the Congress on Capital Saving Technology
- Small Scale Enterprises, Employment and Foreign Aid (Harold Lubell, PPD/PDPR/ED, A.I.D. May 1980)

Chuta, Enyinna and Liedholm, Carl. Rural Non-farm Employment: A Review of the State of the Art. MSU Rural Development Paper No. 4 East Lansing: Department of Agricultural Economics, Michigan State University, 1979.

Chuta, Enyinna and Liedholm, Carl. The Economics of Rural and Urban Small Scale Industries in Sierra Leone. African Rural Economy Paper No. 14 East Lansing: Department of Agricultural Economics, Michigan State University, 1976.

Daines, Samuel R. and others. Agribusiness and Rural Enterprise: Project Analysis Manual. Prepared for Office of Agriculture, Development Support Bureau, A.I.D. Washington, D.C.: Practial Concepts, Inc., July 1980.

de Wilde, John C. The Development of African Private Enterprise, Washington, D.C.: IBRD/IDA, Paper No. AW-31, December 1971.

Employment and Development of Small Enterprises. Sector Policy Paper. Washington, D.C.: World Bank, February 1978.

Geiger, Theodore and Winifred Armstrong. The Development of African Private Enterprise, Planning Pamphlet No. 120. Washington, D.C.: National Planning Association, March 1964.

Goldmark, Susan G., and Rosengard, Jay. Evaluating Small-Scale Enterprise Promotion: State-of-the-Art, Methodologies and Future Alternatives. Prepared for Office of Urban Development, Development Support Bureau, A.I.D. (Contract No. AID/DS-C-0TR-0016) Washington, D.C.: Development Alternatives, Inc., May 1981.

Harper, Malcolm. Consultancy for Small Businesses. London: Intermediate Technology Publications Ltd., 1976.

Hosowitz, Bert F. "The Entrepreneurial Element in Economic Development," The Challenge of Development. Chicago: Aldine Publishing Co., 1976.

Hunt, Robert W. The Evaluation of Small Enterprise Programs and Projects: Issues in Business and Community Development (Draft Discussion Paper). Washington, D.C.: DSP/AID, April 1981.

- Johnson, Frances, B. "Matrix Sheet on U.S. Trade and Investment: Scale of Potential AID Impacts." Washington, D.C.: AFR/SWA, A.I.D., June 1981.
- Keesing, Donald B. World Trade and Output of Manufacturers: Structural Trends and Developing Countries' Exports. Washington, D.C.: World Bank Staff Working Paper No. 316, January 1979.
- Levitsky, Jacob. World Bank Assistance to Small Scale Enterprises Sector Policy Paper. Washington, D.C.: World Bank, February 1978.
- Millar-Wood, Jayne, and others. Small Scale Enterprise (SSE) Development: A Summary of Descriptions and Evaluation of SSE Projects and an Assessment of Approaches Used in SEE Development By AID, the World Bank and Other Funding Agencies. Prepared for PPC/E/S, A.I.D. (Contract No. AID/SOD/PDC-C-0187) Washington, D.C.: Devres, Inc., July 1981.
- "Overall Private Sector Strategy Formulation - Ecuador (draft)." Quito: USAID/Ecuador, August 1981.
- Page, John M. Small Enterprises in African Development: A Survey. Washington, D.C.: World Bank Staff Working Paper No. 363, October 1979.
- "PID, International Small Business Investment Companies (ISBIC)," Washington, D.C.: AID, ST/AG (undated).
- Private Enterprise Investment Opportunities Project - Final Report. Prepared for Office of Private Enterprise. A.I.D. on behalf of The African Development Corporation and Pan African Development Corporation, by MAB Associates, Inc., July 1969.
- "Project Identification Document, Center for Intermediary Services." Washington, D.C.: AID, ST/AG (undated).
- "Project Identification Document, Kenya: Small Scale Enterprise Development." Nairobi: USAID/Kenya, April 1980.
- "Project Identification Document, Small Rural Enterprise Development" (draft). Washington, D.C.: AID/ST/RAD (undated).
- Report on International Symposium on a Programme of Technical Co-operation with National Chambers of Commerce. New Delhi: UNCTAD/GATT, November 1979.
- Rweyemamu, Justinian F. "Rural Industrialization in the United Republic of Tanzania: A case Study." University of Dar es Salaam, Department of Economics, September 1973.

Terrel, C. L. "An Evaluation of AID's African Enterprise Loan to the Mutual AID Guaranty Fund of the Council of the Entente States to Assist Small African Enterprises and Entrepreneurs." Washington, D.C., International Development Consultants, Inc., 1979.

The African Association for Public Administration and Management (AAPAM). Regional Cooperation in Africa: Problems and Prospects. Nairobi: General Printers Letd., 1977.

Turner, Arthur N. and Fouraker, Lawrence E. "Management Education Needs and Resources in East and West Africa." (Mimeograph) Cambridge: Harvard Business School, October 1979.

Unctad: Handbook of International Trade and Development Statistics. New York: United Nations, February 1981.

Weber, Mark S. "Proposed USAID Support for the Private Sector in Assisting Senegalese Development: An Analysis of Alternatives." Prepared for USAID/Senegal, Dakar: November 1980.

World Development Report 1981. Washington, D.C.: World Bank, August 1981.

PARTIAL LIST OF PRIVATE ENTERPRISE CARD CATALOG  
ENTRIES IN THE AID REFERENCE LIBRARY

Only those cards on Africa or of general interest are reproduced here. Many other pertinent non-African entries can be found under other country or regional headings. Also some other African and many other regional and general entries can be located under the following titles: Industrial Promotion; Industrial Development Banks; Industrial Training; Industrialization, Cooperatives; Cottage Industries, Small Scale Industries; Small Business and Rural Enterprise.

Other Washington, D.C. sources of information on this subject include AID's Development Studies Program Library; the State Department Library; the UN, ILO and World Bank Libraries and the African Bibliographic Center.

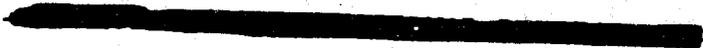
338.7 Agency for International Development. Office  
A265a of Private Resources.  
Private Enterprise in Developing Countries;  
Report to the Advisory Committee on Private  
Enterprise in Foreign Aid. 1967(?)  
~~15 p.~~ 38 p. + appendix.

1. Private enterprise. 2. Investments. I. Title.

PRIVATE ENTERPRISE

332.673 Agency for International Development.  
A265k Private enterprise in international devel-  
opment. Apr. 1963.  
9 p.  
Reprinted from Proposed Mutual Defense and  
Assistance Programs FY 1964.

1. Investments. 2. Private enterprise. I. Title.

PRIVATE ENTERPRISE 

353.1 Chaikin, S.H.  
C433 Recommended organization of private enter-  
prise activities in the Agency for International  
Development. S.H. Chaikin and Hamlin Robinson.  
Oct. 1961.  
6 p.

1. A.I.D. - Organization. 2. Private enterprise   
I. Robinson, Hamlin. II. Title.

330.153 Dept. of State.  
 S797 The role of private enterprise in the  
 Mutual Security Program. Mar. 1960.  
 51 p.

1. Private enterprise. 2. Mutual Security Program,  
 1951-. 3. Development loans. 4. Investment guaranties.  
 5. Tax credits. 6. Public Law 480. I. Title.

PRIVATE ENTERPRISE

658 Nathan (Robert R.) Associates, Inc.  
 N274 International Executive Service Corps; An  
 Evaluation. May 1977.  
 88 p.  
 AID/csd-673.  
 921-13-270-001.

1. Management development. 2. Evaluation - Management  
 development. 3. Project evaluation - Management develop-  
 ment. 4. Voluntary agencies. 5. Private enterprise.  
 I. Title. II. Contract.

PRIVATE ENTERPRISE

332.673 Public Affairs Institute, Washington, D.C. <sup>NTIS</sup>  
 M322 U.S. Private Investment and Economic Aid  
 in Underdeveloped Countries. Wil Marcus.  
 1959.  
 42 p.

1. Economic Assistance. 2. Investments. 3. Private  
 Enterprise. I. Marcus, Wil. II. Title.

332.673 Stikker, Dirk U.  
S855 Summary of the report on the role of  
private enterprise in investment and promo-  
tion of exports in developing countries.  
Oct. 1967.  
31 p. appendix.

1. Investments. 2. Export trade promotion. 3. Private  
enterprise. I. Title. II. Role of private enterprise...

PRIVATE ENTERPRISE - AFRICA

AFR NTIS  
338.76 International Bank for Reconstruction and  
D521 Development. International Development  
Association.  
Development of African private enterprise.  
John C. de Wilde. Dec. 1971.  
CARD #1 2 v.  
v. 1. Main report.  
v. 2. Country annexes.  
Annex VIII of Vol. 2., Nigeria, is a dis-  
cussion of Project no. 620-15-910-714; De-  
veloping small industries: case study of the  
Nigerian experie

PRIVATE ENTERPRISE - AFRICA

AFR  
332.6736 International Finance Corp.  
I61 IFC in Africa.  
For holdings see shelf list.

1. Investments - AFR. 2. Private enterprise - AFR.  
3. Industrialization - AFR. I. Title.

PRIVATE ENTERPRISE - AFRICA

AFR

338.76

L284

Langlois, J. W.

The Feasibility of a Regional Program to Encourage African Entrepreneurs in the Entente Countries. Aug. 1969.

51 p.

AID/afr-623.

1. Industrial promotion - AFR. 2. Private enterprise - AFR.
3. Entrepreneur - AFR. I. Contract. II. Title.

PRIVATE ENTERPRISE - AFRICA

AFR

338.916

L677

Lewis, W. Arthur.

Aspect of economic development. 1965.

9 p.

Background paper for African Conference on Progress through Cooperation, Kampala, May 9-15, 1965.

1. Economic development - AFR. 2. Manpower - agriculture
- AFR. 3. Markets - AFR. 4. Fiscal policy - AFR. 5. Labor supply - AFR. 6. Private enterprise - AFR. I. African Conference on Progress through... II. Title.

PRIVATE ENTERPRISE - AFRICA

AFR

332.6736

M112

MAB Associates, Inc.

Private Enterprise Investment Opportunities Project; Final Report. July 1969.

59 p.

Subcontractor's report on behalf of the African Development Corporation and the Pan African Development Corporation.

Contract AID/afr-461

Contract AID/afr-462

1. Investments - AFR. 2. Private enterprise - AFR. I. African Development Corp. II. Pan African Development Corp. III. Contract. IV. Contract. V. Title.

PRIVATE ENTERPRISE - NIGERIA

NI

338.7669 USOM/Nigeria.

T325

Private enterprise program proposal for  
Nigeria. C.L. Terrel. Jan. 1961.  
46 p.

1. Private enterprise - NI. 2. Investments - NI. 3.  
Industrial promotion - NI. 4. Production - NI. I.  
Terrel, C.L. II. Title.

Private enterprise in foreign aid.

327.73 Agency for International Development.

A265

A.I.D.'s response to date to the report of  
the Advisory Committee on Private Enterprise  
in Foreign Aid. D. W. Hoagland. Feb. 1966.

44 p.

1.Developing areas - Investment.2.Investments,  
American.I.Hoagland, D.W.II.Title: Private  
enterprise in foreign aid.

Private Enterprise in Foreign Assistance.

331 Weintraub, Leon

NTIS

W424a

International Manpower Development: Role for  
Private Enterprise in Foreign Assistance. 1969.  
135 p.

Praeger Special Studies in International  
Economics and Development.

1.Manpower development.2.Human resources development.  
3.Skilled manpower.4.Participant training.6.Manpower -  
Training.I.Title.II.Private Enterprise in Foreign  
Assistance.

332.673 Private enterprise - 1968 report.  
A265 Agency for International Development.  
Office of Private Resources.  
Working with private enterprise: 1968  
operations of the Office of Private  
Resources. Dec. 1968.  
29 p.

1.Developing areas - Investments.2.Investments,  
American.I.Title.II.Title:Private enterprise -  
1968 report.

### Private enterprise programs and projects

332.673 International Cooperation Administration.  
I6lg Private enterprise programs and projects;  
cumulative activity and progress report.  
For holdings see shelf list.

1. Investments. I. Title.

BL Private enterprise promotion.  
338.0981 Conway Research, Inc., Atlanta.  
C767 Private enterprise promotion. M. Dale  
Henson. 1965.  
24 p.  
Contract no. AID/LA-235.

1.Contract no. AID/LA-235. I.Henson, M.  
Dale. II.Title.

1656 NS      **Private Investment Encouragement  
Fund, Egypt**  
EG  
332.742      Nathan (R.R.) Associates, Inc.  
N274              A study of the feasibility of a Private  
Investment Encouragement Fund for the  
CARD 1      Egyptian private sector. 1979.  
241 p.  
AID/otr-C-1380. 263042300.  
PN-AAH-365.

1. Banks and banking - EG.
2. Industrial banking - EG.
3. Credit - EG.
4. Feasibility study - EG.
5. Industrial promotion - EG.
6. Industrialization - EG.

**Private investment in Nigeria.**

NI  
332.673669      Little (Arthur D.), Inc.  
K59              **[Private investment in Nigeria]**  
John R. Kirkpatrick. Apr. 1964.  
13 p.  
Prepared by AID contract team for  
W. Averell Harriman.

1. Investments - NI. I. Kirkpatrick, John R. II. Title.