UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

(U S . A I D)

PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

(660-0510)

PRIVATE SECTOR OVERVIEW

SURVEY OF CAPITAL MARKETS AND FINANCIAL INTERMEDIARIES

SURVEY OF TRAINING NEEDS AND RESOURCES

(CONTRAT N° 660-0510-C-00-8051-00)

FINAL REPORT

VOLUME I

DECEMBER 15, 1987

Coopers
&Lybrand

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Kinshasa, December 15,1987

Subject : "PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN PROJECT" (PROJECT 660-0510) - FINAL REPORT

Dear Mr Ryan,

Please find attach ten (10) copies of the two volumes of the final report on the "Private Sector Strategy and Program Design Project" (P10-T Number 660-0510-3-70007, Project 660-0510-PD & S).

The first volume includes the report per se and covers the research conducted on the private small and medium industries of Kinshasa and South Shaba, the financial intermediaires and the training institutions as well as our suggestions for assistance to this sector. The second volume comprises the appendices.

We wish to express our appreciation for the opportunity of having conducted this most interesting assignment and we hope that the results will be entirely to US AID's satisfaction.

Yours truly,

M. AMYOT
Partner

LB/kl

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PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

FINAL REPORT

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EXECUTIVE SUMMARY

1. TERMS OF REFERENCE AND WORK ACCOMPLISHED

1.1. Scope of work

The objective of the research was to provide USAID with the necessary understanding and background documentation on the characteristics, operating mode and technical, financial and training constraints and needs that the small and medium private enterprises in the manufacturing and production sectors face in Zaire to enable the agency to prepare an assistance program in the future.

The study was to include a sample of small and medium enterprises in the three following regions: i) the capital Kinshasa, ii) Shaba and iii) Bandundu. These regions were chosen by USAID since they are those where it presently concentrates its assistance.

USAID'scope of work defined small and medium-size private companies as local enterprises of between 10 and 100 employees with fixed assets greater than 1 million zaires.

The scope of work also defined the following 7 economic sectors to be included in the sample:

- Agro-industrial;
- Light manufacturing;
- Construction;
- Transport;
- Maintenance and repair;
- Training services;
- Health care services.

1.2. Problems in selecting the required sample of SMBs

The problem of selecting a sample of private companies meeting the above-mentioned criteria differed with the geographical location:

- in Kinshasa, there had been no difficulty in selecting a large enough sample of companies meeting the size criteria in all the manufacturing sectors defined;

- in Lubumbashi, Likasi and Kolwezi, it has been possible to identify a sufficient number of private enterprises of more than 10 employees to select erough companies for interview

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in the light manufacturing, agro-industrial, construction and transport sectors.

in the two above-mentioned regions, however, the Consultant experienced difficulties in identifying enough private companies meeting the size criteria in the health care, and training sectors;

- outside of these two regions, the research showed that a sample of companies meeting the size and economic sector criteria was all but impossible to identify since the economic activity is almost exclusively restricted to trade and agriculture.

A number of small and medium-sized private businesses (SMBs) which meet the criteria of size, economic sector and geographical location defined in the statement of work were identified in Kinshasa and "Gécamines'Shaba" (defined as Lubumbashi, Likasi and Kolwezi).

1.2.1. In Kinshasa, we were able to list 112 companies among which 40 to 50 were, at the beginning, selected for interview. The number of companies actually interviewed increased during the course of the research since it was possible to identify more enterprises meeting the defined revised criteria. This list, classified by economic sector and company size is presented at the end of this chapter.

1.2.2. In "Gécamines'Shaba" we identified more than 50 private small and medium industries meeting the criteria.

1.2.3. In Bandundu and outside "Gécamines'Shaba" [illegible] companies were interviewed following the revision of the Terms of Reference. The companies identified in the 10 to 100 permanent employees range being almost exclusively in the trading or agriculture economic sectors or conducted by entrepreneurs working with less than 10 permanent employees, and in most cases with less than 5, in "cottage-industries", all of which were excluded from the scope of the study.

1.2.4. More than 130 representatives of private small and medium industries were interviewed, in a large number of cases twice, the manufacturing and production premises were systematically visited and the data collection questionnaire was completed by almost all the persons contacted.

A similar field research was conducted for study of the characteristics of the capital market and of the financial sector in that they related to their role, or the constraints they pose to the small and medium entrepreneurs.

1.2.5. In the non-structured financial intermediaries sector we were able to identify and contact representatives of savings and loans cooperatives, credit unions and private money-lenders.

1.2.6. Representatives of commercial banks and other structured financial institutions (SOFIDE, BCA, BZ and donor agencies for instance) were also contacted during the course of the study.

Finally, the private and public training institutions whose operations, resources, programs and results were studied in detail have been as follows:

- CEPETEDE;
- CADICEC;
- INPP;
- CIDEP;
- Institut Superieur des Sciences du Travail (ISST);
- Centre de Perfectionnement Administratif (CPA);
- Institut Zairois de Management (IZM);
- CENACOF.

1.3. Problems in the definition of "small and medium enterprises"

A problem that all researchers face with the type of field-research conducted comes from the fact that the criteria used to define the small and medium enterprises sector are not completely satisfactory and involve a great deal of heterogeneity in the sampling and, consequentely, in the results of the fact-finding research.

1.3.1. Although the sample of companies surveyed was selected according to the generally admitted size criteria of 10 to 50 permanent employees for small enterprises, and 50 to 100 for medium, the use of this criteria introduced a large element of heterogeneity in the results of the research, and will impact the development of recommendations adapted to the needs of the various types of enterprises.

1.3.2. The survey completed among a sample of small and medium enterprises in the manufacturing and production sectors of the economy, clearly indicates that the present largely used definition of "small and medium" is not really adequate, at least in the Zairian context. Manufacturing companies having between 10 and 100 permanent employees have been found to be extremely different in terms of operating (production and management) and financial characteristics, requirements and prospects.

1.3.3. The research points to the fact that, whatever "industrial" sub-sector they belong to, enterprises of between 10 and (approximately) 30 employees have, in general, the operating and financial characteristics of the non-structured "cottage-industries" and their owners-managers are more craftsmen than entrepreneurs. Above the 30 permanent employees level, the companies usually have a number of characteristics which make them far closer, albeit on a smaller scale, to large private enterprises than to cottage-industries. In addition, the small and medium enterprises have so many fundamental management and financial traits in common as to make the distinction between them somewhat meaningless for anything but identification purposes.

1.3.4. On the contrary, the 100 permanent employee mark defining medium-sized industry appears to be too restrictive in a situation where labor is cheap and plentiful, mechanization is underdeveloped for a number of tasks requiring little skills and individual productivity is judged, at least by the employers, to be low. A number of companies employing between 100 and 200 employees could not reasonably be classified as large companies if one looks at the complexity of their production process, their organization, management and financial characteristics and their access to the financial markets.

1.3.5. It is interesting to notice, furthermore, that the industrial sub-sector is a determining factor of the type of company encountered. Generally speaking, in the sub-sectors producing final consumer goods, the private enterprises are either cottage-industries or large (by african standards) companies while, in the sub-sectors producing intermediate goods, one encounters few cottage-industries but a number of small and medium, and obviously also large, companies. In the first case we would mention the bakeries, liquor and beverages, garment manufacturing or furniture making businesses for instance while, in the second group, we would cite metal works, sawmills, textile or paint manufacturing businesses.

1.3.6. It also clearly appeared during the course of the research that the construction and transport sub-sectors have special characteristics of their own and the enterprises surveyed in this sector introduced an additional amount of heterogeneity in the survey results.

1.3.7. The design of assistance projects in the private sector of the economy should consequently build upon clear objectives in terms of economic sector: primary, secondary and tertiary and, in some cases, sub-sectors like construction or transport, but also in terms of the type of enterprises it aims

at: "mom-and-pop shops", cottage-industries, small and medium, or large enterprises. Trying to respond to the needs of too heterogeneous a serie of private enterprises with one project will likely miss each of the various targets and end up in implementing malajusted assistance resources and mechanisms solutions for all.

In the next page we present the list of 133 small and medium private industries included in the research sample classified by sector of activity, size and geographical location.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: STAT Page 1 of 1
COOPERS & LYBRAND	CLASSIFICATION OF THE COMPANIES	Date: June 17, 1987

MAIN SECTOR OF ACTIVITY	KINSHASA			SHABA			TOTAL		
	<30	≥30	Σ	<30	≥30	Σ	<30	≥30	Σ
PRODUCTION OF CONSUMER GOODS									
Food products	1	3	4	4	4	8	5	7	12
Hygiene and cosmetics	1	4	5	-	1	1	1	5	6
Clothing	3	2	5	4	2	6	7	4	11
Household requisites	-	2	2	-	1	1	-	3	3
Household furniture	2	4	6	1	2	3	3	6	9
Miscellaneous	2	5	7	-	-	-	2	5	7
Sub-total:	9	20	29	9	10	19	18	30	48
PRODUCTION OF INTERMEDIATE GOODS									
Food products	-	2	2	-	-	-	-	2	2
Textile	-	1	1	-	-	-	-	1	1
Metal products	2	4	6	1	5	6	3	9	12
Wood products	-	2	2	1	3	4	1	5	6
Paper and cardboard	-	1	1	-	3	3	-	4	4
Construction materials	2	1	3	1	-	1	3	1	4
Glass	-	1	1	-	-	-	-	1	1
Plastics	-	3	3	-	-	-	-	3	3
Paint	2	2	4	1	1	2	3	3	6
Printing	2	-	2	-	2	2	2	2	4
Miscellaneous	2	-	2	-	-	-	2	-	2
Sub-total:	10	17	27	4	14	18	14	31	45
CONSTRUCTION AND TRANSPORT									
Sub-total:	15	5	20	6	14	20	21	19	40
TOTAL:	34	42	76	19	38	57	52	81	133

N.B.: Companies are classified by number of permanent employees.

2. KEY COMMON CHARACTERISTICS OF AFRICAN SMES

A number of studies demonstrate a pattern of key characteristics of the small enterprise sector in Africa.

2.1. Small firms, in general, lack access to institutional credit and incentive schemes, while they are often able to pay workers (especially apprentices or temporary) less than the legal minimum wage. Large, "modern" sector firms, on the contrary, often can borrow capital at favorable interest rates, and may pay workers relatively high salaries to attract a skilled, stable work-force.

2.2. Data on total factor productivity in African industries is virtually non-existent. Some evidence exist, however, that small firms use capital more productively than large ones. Since most entrepreneurs face much higher costs of borrowing capital, if they have access at all to credit, they would naturally tend to use it more productively than do large investors. Although lower labor productivity in small firms does appear to be generally offset by higher capital productivity, it is not clear, however, if the net result is greater or lower total factor productivity in terms of the true economic costs of these factors.

2.3. Within the SME sector, differences in the degree of dependence on infrastructures are evident. Medium-scale firms are similar to larger ones in their dependence on public utilities, repair services, transport facilities, industrial buildings. Smaller ones, however, generally provide their own power, mechanical, hand or generator, and can adapt relatively easily to different types of location and shelter.

2.4. SMEs are widely presumed to use technologies that are less "modern" than in large firms and that are more appropriate to local conditions.

2.5. SMEs are consistently described as an outlet for indigenous entrepreneurship, in contrast to the domination of large-scale private industry by foreign-owned, or foreign-managed enterprises. In general it has been found that owners of small enterprises in Africa originate from within the small enterprises sector, although as frequently from commerce than from manufacturing. A surprising finding of many surveys conducted in Africa is the limited extent to which skills learned in larger firms form the basis of subsequent investment in small-scale enterprises.

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2.6. The level of formal educational attainment among small business proprietors are quite modest, although as a group they reflect a higher level of formal education than the population in general. Owners of enterprises, particularly the more traditional small-scale activities, are generally either craftsmen-entrepreneurs who are technically proficient in the manufacturing process but lack extensive training in management, or merchant traders who usually have little formal education or technical training.

2.7. It is generally observed that SMEs are not managed as efficiently as they could be, especially in matters such as financial records and book-keeping. Large scale production requires trained, specialized managers and supervisors which, in Africa, often means expatriates. Production skills also tend to be generated within the small scale sector, through on-the-job apprenticeship, whereas large firms often depend on outside training.

2.8. Investments in the SMEs are overwhelmingly financed by the personal savings of the entrepreneurs, sometimes supplemented by loans from relatives. These savings often come from agriculture and trading, or ploughback. The paucity of funds obtained from commercial banks or public development agencies for initial or continuing finance is striking.

2.9. It is commonly observed that SMEs provide much of the consumer goods demanded by the medium or lower-income population whereas modern sector products are disproportionately directed toward the upper-income population. This finding, however, is partly attributable to different consumption patterns across industries, partly to low-cost versus high-cost substitutes within an industry, and partly to quality differences for a same product. The SME sector nevertheless caters to a wide range of demand, since the quality and cost of many custom-made products depend on the skill of the craftsman and the quality of the materials and production tools which it can afford.

2.10. Subcontracting relationships between large and small firms seem to be rare in Africa. One reason might be the dominance in the modern private sector of foreign-owned import-substitution firms, which tend to import most of their inputs, and in the parastatal sector, a tendency to integrate activities as much as possible and to favor purchasing deals with foreign suppliers.

2.11. An important linkage of the SME sector to other sectors is through its use of raw materials. Agro-processing activities have a direct linkage to the agricultural sector, and SMEs sometimes have an advantage in utilizing and recuperating

waste materials, often from large firms. The growth of large-scale industries also may generate additional demand for goods and services provided by certain small-scale industries primarily because the location of industrial sites draws workers away from home and certain activities, such as clothing, food preparation, transport, construction, may then be replaced by SMEs.

The field research conducted among a selection of small and medium industries in the two surveyed regions of Zaire interestingly supports most of these general findings as demonstrated in the following chapter.

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3. MAJOR FINDINGS OF THE RESEARCH CONDUCTED AMONG THE SAMPLE OF SMALL AND MEDIUM INDUSTRIES

The problems that small and medium industrial enterprises have to face fall into two major categories, one which is probably outside the donor agencies'potential for assistance, namely the general economic situation which impacts on market potential, the Government policies and actions and a number of other characteristics of doing business in Zaire, the other which could be tackled by a well conceived and efficiently managed USAID project.

3.1. All Zairian companies have to face the problem of the national currency depreciation. This depreciation remained relatively moderate in 1984, 1985 and 1986, but has been accelerating brutally since the end of 1986.

The consequences of this phenomenon are:

- the extreme difficulty experienced by the industrial companies'managers to calculate a cost price which reflects all of its components, and particularly the cost of supply and the provisions for depreciation.

- in spite of this difficulty, the need to determine a selling price which reflects the cost structure of the goods produced and make the operation profitable.

- the negative impact of the delay between, on the one hand, the production of the goods and their invoicing and, on the other hand, the collection of the payment by the customer. Commercial credit has, in most cases, disappeared and is replaced by a cash-on-order or cash-on-delivery policy.

- the fact that the financial statements of the enterprises have become almost meaningless since the fixed assets and the corresponding provisionfor depreciation and the inventory of goods and parts are not revalued. The operating profit which is calculated is often fictitious and hides the decapitalization, in real terms, of the company.

3.2. All zairian industrial companies operating in the current fiscal environment encounter a number of problems, both in terms of direct and indirect taxation .

With respect to the direct taxation, the major problem concerns the fact that fixed assets revaluation does not bring any fiscal advantage, although monetary depreciation should make this operation systematic and permanent. As a

consequence, a number of industrial companies do not revalue their fixed assets and their financial statements do not represent the reality of their results.

With respect to the indirect taxation, we must distinguish between the import and export taxation (OFIDA), the internal operations taxation (CCA, FCD taxes) and the various local and national taxes:

- the problems caused by the OFIDA taxation vary with the nature of the activities performed by the different enterprises and their sources of supply. It is interesting to notice, however, that this taxation whose major objective should be to encourage the development of the local production of goods through import tariffs and export incentives, often appears to be designed less with this objective in mind than with the maximization of the government's fiscal receipts.

- the problems caused by the other taxes concern less their burden, than the proliferation of these taxes which occasion, for the industrial producers, a kind of "fiscal harassment".

3.3. In addition, it can safely be said that the regulatory environment is not particularly supportive to the small and medium enterprises, in spite of official statements stressing the recognition of the importance of the sector and the preoccupation of the government for its well-being.

The first problem is the well-known inefficiency of a number of public organizations which are more than often characterized by overstaffing, whose civil servants are notoriously underpaid, often poorly qualified and sometimes corrupt. The administrative "jungle" which results from these factors presides over a multitude of obscure and often contradictory regulations, in which the slightest step, to obtain an official document or authorization for instance, is always time-consuming, usually frustrating and sometimes expensive.

The second problem comes, in spite of the official tenet of "libéralisme concerté" (concerted liberalism), from what has been for a number of years the increasing involvement of the State in a growing number of economic sectors and activities. This involvement has been characterized in the past by the promotion of a number of sometimes un-economic and often unprofitable industrial and infrastructure investments. It can still be seen in the proliferation of a number of public agencies or parastatal organizations which intend, at different degrees, to assist, stimulate, coordinate, orient, control and finally direct most aspects

of the economic life. These organizations are often extremely bureaucratic in their staffing, outlook and operating mode and they frequently have operating costs which bear little relation to the amount of work actually performed or to the results they obtain, when they do not constitute an hindrance to the operation of the private economic activities.

These problems are well known and documented and it is not our purpose to develop it in greater detail. The general business environment into which small and medium industries in Zaïre have to operate is common to all categories of private enterprises, whatever their size, location or type of activity.

3.4. Major problems which can be addressed by a project such a the "Private Sector Project" fit into six categories which are, in decreasing order of priority:

- the cost and/or unavailability of input for production: shortage of foreign exchange and lack of working capital;
- the condition of the means of production: lack of working capital for purchase of spare parts and of medium and long-term financing for rehabilitation or modernization of the equipment;
- the cost of extending credit to the industries'consumers which impacts on market size;
- the burden that receivables represent for those companies dealing with the Government agencies and parastatals;
- the absence of a systematic or efficient program of local purchases by the parastatals;
- the lack of an adapted financial training program.

Supply problem

3.5. The supply problem, namely the shortage of foreign exchange and the almost insufferable cost of lock-up of capital for import with the present Bank of Zaïre and Custom Office's regulations and, for local input, their increasing unreliability of supply is absolutely general and constitutes the major constraint.

3.6. Most entrepreneurs agreed that a project which would implement a reasonably priced financing scheme for purchase and maintenance of inventory of raw materials would be a big help in the present situation. For instance a large percentage of the capital needed to open a Letter of Credit (if the banks had the foreign exchange to do so), or to purchase from a local producer the raw materials needed by

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the industry, could be provided at no, or very low, cost and be repayable in installments.
Funds in short supply would not be tied up for long periods of time and a number of companies could, once again, operate their equipment at higher utilization rates, thus reducing the manufacturing cost.

All companies interviewed insisted that what they need most at this time is working capital and better access to foreign exchange. Given this kind of assistance, a large number declared that they could tackle most of their other problems.

Condition of the manufacturing equipment

3.7. Since no, or very little, investment in new equipment has been made for a number of years and, in most cases, the companies, to reduce their manufacturing costs, do not provision for depreciation, the manufacturing tools are, almost universally, badly in need of replacement.
Except for a few cases, however, the priorities are more in the rehabilitation of the existing machinery than in new investment in equipment in the present situation where all companies are operating at levels far below their nominal production capacity.

3.8. Once again, shortage of foreign exchange and of working capital is a major problem since the companies cannot purchase the spare parts which would be necessary to rehabilitate their existing equipment.

3.9. Some new industrial and equipment rehabilitation projects which look promising have nevertheless been identified and a preliminary description will be provided, individually, in the final report (agricultural machinery to solve input bottlenecks in agro-industrial plants, equipment for a sawmill or for an ice-making project or rehabilitation of a printing shop for instance).
In these instances, access to reasonably priced long-term financing is going to be an issue.

Disappearance of credit and cost of receivables

3.10. The inflation and monetary depreciation now prohibits the industries to voluntarily extend any kind of credit to their customers and this have a negative impact on their marketing potential.

3.11. For those companies which have little choice but to accept the credit terms dictated by their major clients (Government and Parastatals) the cost of receivables represents an enormous, and sometimes fatal, burden.

3.12. Some form of invoice discounting whereby the small businesses would receive cash as soon as they invoice large and reputable purchasers would be a big help. It would allow them to increase their cash turnover and provide for purchase of new raw materials for a subsequent cycle of production and would ensure that their profits are not eaten up by inflation. The discounter would obviously have to have some bargaining power vis a vis the customers concerned to accelerate the payments of the bills, otherwise the problem would have just been transfered to its level.

Support of local producers

3.13. Purchases by large consumers of (usually imported) goods from wholesalers and traders according to the lowest-bidder rule of provisioning generaly associated with foreign project financing might be counter-productive since those goods are often priced below what they should cost if all custom taxes were paid.
Although enforcement of import regulations is rightly considered as outside any donor agency's potential for assistance, industrialists feel that all foreign donors, whenever possible, should encourage through adjustments to the provisioning rules associated with their project financing, the purchase of locally produced industrial goods.

3.14. In addition, foreign donors might grant their loans to powerful customers (i.e. parastatals) for the specific purpose of purchasing locally produced goods instead of lending mostly for the development of big industrial projects, where imported components represent the major, if not the only, use of funds.

3.15. Donor agencies could also assist the parastatals in thoroughly assessing the capabilities of local industries, either as suppliers of goods or as sub-contractors, and in developing and implementing systematic purchases programs for locally manufactured goods. The parastatals instead of buying piecemeal from the national small and medium industries, could and should systematically identify products and goods which can be manufactured locally at a reasonable cost and set up medium-term purchasing committment with their producers, thus providing some

stability in the market and enabling private businessmen to invest in equipment.

Adapted financial training

3.16. There is a real, if not always conscious, need for management, and especially financial, training among small and medium businessmen.

3.17. However, to be really helpful, and appealing to the targeted population, the training would have to be very practical and directly applicable by the entrepreneurs in the day-to-day management of their company. The managers of small and medium size companies probably need, and are certainly more interested in, management tools than in general management concepts and principles. It appears that this type of training would be best developed and administered by private enterprises whose activities are in the fields considered than by any of the existing, mostly academic, training institution.

4. MAJOR FINDINGS OF THE RESEARCH CONDUCTED ON THE CAPITAL MARKETS AND FINANCIAL INTERMEDIARIES

4.1. The credit controls in force determine the type and volume of operations undertaken by the commercial banks. Such controls do not affect the development banks. The lending policies of the latter are based on the availability of funds and whether the projects qualify or not for lending.

4.2. The flow of credit to the private sector has grown in nominal but not in real terms during the past few years.

4.3. The strategic plans of some of the banks (the minor banks) preclude business in general in the SMB sector. This policy is unlikely to change even if credit control restrictions are lessened.

4.4. SOFIDE, the principal development bank does not provide any short term (working capital) finance.

4.5. BCA, the smaller of the development banks, provides short term finance to the SMBs. Its own availability of funds is, however, severely restricted and it is largely unable to respond to the markets requirements

4.6. The commercial banks lend short term but such credits are limited overall by the credit ceilings. Of the short term credits, a minimum amount only is reserved for the SMBs.

4.7. Lendings by the Credit Unions (C.Us) are generally short term consumer loans restricted to members. Borrowings are further limited to a percentage of the deposit account balances. (This could only be a general rule not strictly applied. Not enough is known of the C.Us and their operations in Zaïre).

4.8. SOFIDE advances medium and long term funds and approximately 60 % of such funds are made to the SMBs. Loans are generally in foreign currency. Because of the weak Zaïre currency and the repayments being calculated on the foreign denominated debt, the effective repayment cost is very high.

4.9. The BCA makes term lendings but its resources are minor and it is unable to respond to the markets needs. Lendings are made generally in local currency.

4.10. While detailed statistics are not maintained by the commercial banks it is fair to say that very little or no credit is extended to the private sector (SMB category) in the form of project finance (by project finance we mean

4.11. Medium and short term credit to the SMB is likewise extremely limited.

4.12. The economy and market forces are such that banks do not have the interest and ability to attract long term funds. Lending meduim or long term is not a feasable proposition.

4.13. The lack of good securities, management structure, reliable accounting records etc are some of the reasons for not extending credit to the SMBs.. These reasons are, however, of secondary importance as the principal reason and constraint remains the availability of credit.

4.14. Lack of viable projects was one of the reasons often given for turning down loan requests.

4.15. Although a potential source, SONAS, the State monopoly insurance company provides very little long term funds. It is unlikely that SONAS can play any effective role directly or indirectly towards the development of the SMBs sector unless the whole organization (SONAS) is overhauled and disciplined management and accounting controls established.

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5. SURVEY OF THE TRAINING INSTITUTIONS

The research on the locally available training centers focused on those which might be able to answer the needs of small and middle size enterprises, SMEs for short, since they already provide technical or managerial training for the workers, employeees or middle and top managers in private firms and parastatals or in the Civil Service.

A number of the most highly regarded and best endowed, both financially and in qualified trainers, of these centers operate within large private and public companies such as ONATRA, GECAMINES - EXPLOITATION, SNCZ, REGIDESO, CHANIMETAL and so on. Usually they are not open to outsiders.

Other centers are specialized in training and recycling human resources and their programs and resources are designed and organized to serve the employed adult market at large. Our study is based on the latter category and, for those, we have documented the following as far as the information was made available:

- Organization;
- Type of training offered;
- Training methodology used;
- Clientele and admission criteria;
- Duration of the programs;
- Assistance from outside Agencies, and
- Financing.

The results for the following eight institutions researched are summarily presented in the next pages.

INFORMATION SUMMARY

1.	Name of the institution	:	INPP
2.	Address	:	136, 11è rue - Zone de Limete
3.	P.O. Box	:	1150 Limete
4.	Phone, télex	:	20104
5.	Creation date	:	June 1964 by Ordinance-law n° 206
6.	People to meet	:	Citoyen IKAMBA General Manager Citoyen BAVO : Program Manager Citoyen BILE : Public Relations Director.
7.	Number of lecturers and permanent supervisers	:	163
8.	Training courses offered	:	Technical training, administration and management.
9.	Number of trained people	:	3.000 per year on average
10.	Training methodology	:	Academic and on-the-job
11.	Applicants	:	Labour force in search of employment, workers and employees of parastatal and private enterprises.
12.	Registration	:	Recommended by the employer
13.	Fees	:	N.D.
14.	Operating budget	:	N.D. for 1987
15.	Financial and technical support	:	Japanese and Italian cooperation, ILO
16.	Short comments	:	Fair image for technical training, efforts to shift towards management training is not met with much success. Teaching actions limited compared to available resources. Fewer and fewer companies use service.

INFORMATION SUMMARY

1. Name of the institution	:	CEPETEDE
2. Address	:	1st floor, ATC Building Place Tombalbaye Zone de la Gombe
3. P.O.Box	:	989 Kinshasa I
4. Phone	:	22019 - 23854
5. Creation date	:	September 1981
6. Officials to meet	:	Cit. KANKONLO wa KASHALA General Manager Mr. Joël CONAN Program Director
7. Number of lecturers and permanent supervisers	:	12
8. Number of yearly trained people	:	500 in average
9. Subjects treated	:	Financial management General management Management and agricultural production projects
10. Training method	:	Practical and theoretical
11. Beneficiaries	:	Senior staff of large private enterprises and parastatal and senior civil servants
12. Registration	:	On recommendation by the employer
13. Fees	:	Comprehensive levels : Z 92.000 spacial et module : Z 69.000
14. Opérating budget	:	In 1986 : Z 40.000.000
15. Financial and technical support	:	French Cooperation, IFG, World Bank
16. Short comments	:	Well appreciated by the partners. Provides appropriate training programs. Motivated staff. Efficient organization.

INFORMATION SUMMARY

1. Name of the institution	:	CADICEC
2. Address	:	32/13, Av. Tombalbaye
3. P.O.BOX	:	3417 KIN/GOMBE
4. Phone	:	25033
5. Date of creation	:	1956
6. Officials to meet	:	Father EKWA ESI ASAL S.J. Secretary General Ctne MUJINGA publication and training manager
7. Number of lecturers and permanent supervisors	:	6
8. Number of trained persons	:	500 per year on average
9. Applicants	:	Executive Secretaries, Financial Officers Head of personnel departments, SME leaders.
10.Application conditions	:	Any senior employee of a CADICEC member private enterprise.
11.Participation cost	:	2.000 to 5.000 Z per participant.
12.Registration	:	on recommadation
13.Operating budget	:	Not available
14.Organization financing	:	Belgian Cooperation & Technical Cooperation, OXFAM, Adenauer Foundation
15.Short comment	:	CADICEC's information service is well regarded by the small and medium businessmen. The adequacy and efficiency of its somewhat limited training actions are nevertheless appreciated because very pratctical and directly applicable in the companies.

INFORMATION SUMMARY

1. Name of the institution	:	C I D & P
2. Address	:	On the crossroad of Av. Mandariniers & Av. 24 Novembre - Gombe
3. P.O.BOX	:	/
4. Phone	:	/
5. Date of creation	:	7th October 1981 by Ord.154
6. Officials to meet	:	Cit. PANUKA DZENTIMA, General Manager Cit. PATY NKYIMBI Officer in charge of CIDEP programs
7. Number of lecturers & permanent supervisors	:	64
8. Trained persons per year	:	100 on average
9. Subjects lectured	:	Management, Proficiency courses for teachers
10.Training methodology	:	Mostly seminars and conferences
11.Participation cost	:	5.000 Z per person
12.Operating budget	:	Not available
13.Applicants	:	Administrative staff of the Civil Service and some parastatals, Teachers
14.Registration	:	On recommandation
15.Supporting organization	:	None
16.Short comment	:	Not very highly regarded - Not much used, even by Government Departments although it is a parastatal.

INFORMATION SUMMARY

1. Name of the Institution	:	I S S T
2. Adress	:	On the Corners of Av. du Commerce Av. des Marais
3. P.O.BOX	:	8814 Kin/Gombe
4. Phone	:	22 364
5. Date of creation	:	1979
6. Representative officials	:	MAMWANA MUNGONG, Directeur VANGU KIMAKWALA, Administrative and Academic Secretary
7. Number of lecturers & permanents Supervisors	:	37 persons
8. Trained participants	:	30 persons per year (full-course program)
9. Subjects dealt with	:	Social Sciences, Commerce & Finance.
10.Types of training	:	Academic
11.Tuition fees	:	1.500 Z quarterly
12.Application conditions	:	Secondary school certificate (state) holders, Union officers and Union permanent delegates of enterprises
13.Operating budget	:	5.000.000.Z
14.Registration	:	Free
15.Financial and technical support	:	ILO & Afro-American Labour Centre
16.Short Comment	:	Training centre probably too strongly associated with the Trade Union to be much used by enterprises for the recycling of their employees. In addition the courses are very theoretical and not adapted to their needs.

INFORMATION SUMMARY

1. Name of the institution	:	IZAM
2. Address	:	5th Floor of the CCIZ Building
3. P.O.BOX	:	3122 KIN I
4. Phone	:	32021 - 32029 ext. 8171 -8167
5. Date of creation	:	3rd April 1981 by Ord. No. 54
6. Contacts	:	Cit. IFEFA MANDJI Chairman & General Manager Cit. MAYENGE Internal Auditor
7. Number of lecturers & permanent Supervisors	:	13
8. Attendance	:	40 in average
9. Subjects	:	Production management, Financial management Human Resources management General management
10.Type of training	:	Case studies, lectures, group discussions
11.Participation cost	:	6.000 Z per person & per year
12.Operation budget	:	2.000.000 Z per month
13.Participants	:	Senior staff of the Civil Service and of some parastatals.
14. Registration	:	On recommandation
15.External assistance	:	Not available
16.Comment	:	Training offered and internal efficiency poorly regarded by both public and private employers.

INFORMATION SUMMARY

1. Name of the institution	:	CENACOF
2. Address	:	22 Rue Mwene-Ditu
3. P.O. Box	:	3719
4. Phone n°	:	32316
5. Creation date	:	30 september 1980
6. Officers in charge	:	Cit. Prof. CHIZUNGU RUDIAHINDWA
7. Number of lecturers and permanent supervisers	:	6
8. Number of trainees	:	Not available (around 1000)
9. Subjects taught	:	Financial and material resources management, Human resources Management, Management planning and development projects assessment Interpersonal relations.
10. Tuition fees	:	Z 3.500 per day for each participant in Kinshasa Z 8.500 outside Kinshasa
11. Training methods	:	Praxis
12. Budget	:	Not available
13. Participants	:	Administrative staff employed
14. Registration	:	on recommendation
15. Technical and Financial supports	:	USAID - USDA
16. Short comments	:	Good training programme but mixed results because of internal management problems.

INFORMATION SUMMARY

1. Name of the institution	:	C P C Z
2. Adress	:	Av. BANSEKE opposite Centre NGANDA
3. P.O.BOX	:	308 KINSHASA I
4. Phone n°	:	24486
5. Date of creation	:	3rd February 1975 by Presidential order.
6. Persons in Charge	:	Cit. LUNDE MVULA AKIMANSIA Assistant Adviser in charge of training
7. Number of lecturers and permanent supervisers	:	414
8. Trained people per year	:	average 200
9. Subjects taught	:	Practical Accounting, Financial Analysis Data processing Budgeting management Accounting organization
10.Training methodes	:	Theoretical and practical
11.Operating budget	:	Not available
12.Tuition fees	:	5.000 Z per person and per day
13.Conditions of admission	:	High school graduates, Professional accountants
14.Registration	:	Upon recommandation or private individuals.
15.Outside Support	:	None
16.Short comment	:	Good for basic training in accounting. Not equipped for other managements aspects.

6. RECOMMENDATIONS

6.1. Criteria for success in implementing an assistance package

Although we had always been extremely well received by the businessmen interviewed, there was a widespread and deep skepticism towards the actual results of the mission.

Most SME managers think that, so far, donor agencies have not demonstrated any real interest in the i) small ii) private iii) industry. Entrepreneurs estimate that financial assistance has, almost always, been directed towards the agricultural sector, the parastatals and the government organizations.

Assistance provided by donor agencies is viewed as too rigid, too bureaucratic and too general in purpose to be adapted to the operating characterictics and needs of the small and medium private industry.

Assistance, when finally granted on principle is judged to take far too much time to actually reach the beneficiary and to be accompanied by too many expensive administrative constraints to be of real value.

Private entrepreneurs stressed that donor agencies usually require very tight guarantees and a proportionnally large committment from the private companies owners to grant a loan at rates which are seldom considered very helpful. They compare this attitude with what they see as a policy of free lending and/or outright gifts to government agencies for project they consider largely uneffective in the actual results they produce and mismanaged in their operation.

To ensure success of the private sector project, three major conditions appear to be essential :

- build up confidence in the ability of donor agencies to deliver quickly an assistance package tailored to the needs expressed by the intended beneficiaries themselves;
- implement a flexible projet preparation and administration structure operated by real managers with enough authority and adaptability to answer the industrialists'real needs;
- do not involve a government agency in the management of the projet.

6.2. Recommendations for USAID assistance

6.2.1. Financial assistance via financial institutions

In this financial arrangement reference is made to the proposed IDA lending scheme to the SMB sector (Work Bank staff appraisal report, April 1987).

A long term credit facility is to be proposed to the Government of Zaire which through a monitoring unit at the Central Bank is directed via the financial institutions to qualifiable SMB projects.

Various factors and criteria need to be established such as interest rates, monitoring procedures on lending, individual limits to lendings, participation of financing by borrower, qualifying projects etc. A scheme needs to be developed, however, (and in conjunction with other lenders if need be) which will use the existing financial network in Zaire. Such institutions and service organizations need to be "beefed-up" in order to improve and enhance the services they are already providing.

The scheme proposed has been well thought out and merits further attention by USAID.

6.2.2. Lending via SOFIDE

USAID can channel funds via SOFIDE to be used in the SMB development.

A "watchdog" committee could be set up at the SOFIDE management ensuring that the deployment of the USAID funds meet with specific requirements and criteria. Precautions such as constituting a separate branch within SOFIDE to cater for such funds, operating separate bank accounts, etc would have to be taken into account for internal control reasons to ensure that such funds are not automatically absorbed in wiping out past deficits and bad debts currently existing at SOFIDE. A feasible and practical arrangement could be worked out with SOFIDE but this arrangement would give SOFIDE the entire share of the SMB activity. An improvement to the arrangement would be to involve the other financial institutions too in order to get a better spread and not limit competition. Hence the IDA proposal mentioned above is more promising.

6.2.3. USAID loan guarantees

Various loan guarantee mechanisms can be established but it should be noted that loan guarantees are only applicable

where credit risk, real or perceived, is a factor preventing the flow of credit to the target sector.Loan guarantees will not influence the availability of funds.

6.2.4. USAID guarantee - Letters of credit

The SMBs are faced with particular problems of not having sufficient funds at the time of opening letters of credit. Such funds are blocked for several months between the opening of the L.C. and the eventual processing and sale of goods. USAID could play a useful role by guaranteeing the availability of funds at the maturity of the L.C. In so doing, the commercial banks could be encouraged into opening L.C's without taking any provisions at source.

6.2.5. Technical and financial aid to existing Credit Unions (C.Us)

The C.Us are capable of playing an important role towards development of the SMBs. The C.Us are, however, in urgent need of management and technical help in order to improve their own operational efficiencies.

USAID can provide either technical help or depending on its own human resources, finance the technical help needed.

6.2.6. Establishing Trading Cooperatives

USAID can direct its resources into establishing trading cooperatives by grouping individual groups and business units into larger SMBs. A number of such units work in isolation but trade in potential marketable products. A consolidation of their activities and management would create a more dynamic business with better prospects for growth.

6.2.7. Economic and Financial Reforms

USAID could play a significant role in formulating policy changes at Government level. Changes particularly at the fiscal level deserve attention. Studies have already been done identifying weaknesses in the system. USAID should consolidate results of findings and push for meaningful policy changes.

Two fiscal areas which merit immediate reform and consideration are:

6.2.7.1. Exchange losses : The fiscal administration should recognize exchange losses on a downward fluctuation of the Zaïre currency on foreign currency loan accounts. This loss should be accepted even if settlement of the debt has not

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been effected. (Losses should be recognized on an accounting basis (accruals concept) and not at a subsequent stage on cash settlement).

6.2.7.2. Fixed assets revaluation : A new legislation needs to be drawn up as the previous law is no longer in application.

The above measures would prevent or reduce companies from decapitalizing at accelerating rates which is presently the case.

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CHAPTER 1: WORK PROGRAM AND METHODOLOGY

1. TERMS OF REFERENCE AND WORK ACCOMPLISHED

1.1. Terms of reference of the project

The "private sector strategy and program design" project covers three inter-related research elements which are documented below.

The objective pursued was to provide USAID with the necessary understanding and background documentation on the characteristics, operating mode and technical, financial and training constraints and needs that the small and medium private enterprises in the manufacturing and production sectors face in Zaire to enable the agency to prepare an assistance program in the future.

The terms of reference of the three aspects of the study carried out by COOPERS & LYBRAND are the following.

1.1.1. Prepare private sector overview report

objectives

- Provide a private sector overview identifying practical opportunities for USAID development initiatives.

- Recommend practical action programs directly responsive to these needs.

scope of work

- Carry out background economic and business research focused on private sector development activities and trends.

- Conduct private sector interviews and plant visits, and obtain views of commercial and development bankers.

- Describe structure and investment opportunities in key segments: agriculture, agro-industry, light industry and services, including health.

- Develop private sector profiles for a cross section of businesses in each of the major segments.

- Assess and prioritize private sector development needs, opportunities and successful strategies by segment, geography, ownership and size.

- Recommend and prioritize USAID private sector development opportunities, strategies and initiatives which respond to identified needs.

- Identify major policy reform areas and issues for stimulating private sector development.

1.1.2. Conduct survey of capital markets, financial intermediaries and management and assistance resources

objectives

- Describe the structure, strategies, weaknesses and utilization of capital markets, financial institutions and business service organizations available in Zaïre for providing equity, loans and working capital financing for private sector development.

scope of work

- Describe and evaluate capital markets.

- Evaluate and assess capabilities and involvement of commercial and development banks in private sector development.

- Review importance and activities of informal financial intermediaries.

- Identify and assess capabilities of business advisory and assistance services.

- Identify major policy and regulatory issues in the finance and banking sectors which hamper private sector development.

- Draw conclusions and make recommendations for involvement of financial and services organizations in USAID private sector development program.

1.1.3. Conduct private sector training and development needs and resources survey

objectives

- Assess private sector training and development needs, evaluate available resources and recommend strategies and programs for supporting private sector development.

scope of work

- Draw conclusions of private sector training and development needs from survey studies.

- Identify and assess capabilities of existing institutions, inside and outside Zaïre, able to respond to private sector training and development needs.

- Draw conclusions and make recommendations for use of training and development institutions for private sector development in such areas as feasibility analysis, systems design and installation, technical assistance, short-term consultancy and specialized training courses, medium and long-term formal training, and short-term resident internships.

- Recommend content and use of public-private sector seminars for fostering dialogue and encouraging policy reforms.

1.1.4. Definition of the research sample

The study was to include a sample of small and medium enterprises in three regions, namely the capital Kinshasa, Shaba and Bandundu. These regions were chosen by USAID since they are those where it presently concentrates its assistance.

USAID'scope of work defined small and medium-size private companies as local enterprises of between 10 and 100 employees with fixed assets greater than 1 million zaires.

This criteria is similar to PNUD's definition of small and medium-size businesses in developing countries. Small being defined as between 10 and 50 employees and medium as between 51 and 100 employees.

It was questionable at the start that Zairian companies of less than 10 employees could have fixed assets of this magnitude outside the trading sector and there was a widespread agreement to classify manufacturing companies of less than 10 permanent employees as cottage-industries belonging to the "non- structured" economic sector. Both were specifically excluded from the study.

No correlation study between the various size factors (number of employees, fixed assets and revenue) in the zairian context had indeed ever been conducted to allow for a more precise definition of the size criteria.

The scope of work also defined the following 7 economic sectors to be included in the sample:

- Agro-industrial;
- Light manufacturing;
- Construction;
- Transport;
- Maintenance and repair;
- Training services;
- Health care services.

The scope of work finally defined precisely the geographical locations of the companies to be studied, or:

- The city of Kinshasa;
- in Bandundu: The cities of Kikwit, Idiofa, Bulungu, Masi-Manimba and Mangai;
- in Shaba: the cities of Lubumbashi, Likasi, Kolwezi, Kamina and Kalemie.

The Terms of Reference of the study are presented in Appendix 1.

1.2. Problem in selecting the required sample of SMBs and change in the scope of work

In the early course of the study, it appeared that the size and activities of the companies did vary greatly according to the geographical location. The research conducted during the orientation phase, which was confirmed later on, demonstrated that the small and medium businesses identified in the three regions were of a very different nature. The Consultant found:

- a first group in the main urban centers such as Kinshasa, Lubumbashi and, to a lesser extent, Likasi and Kolwezi;

- a second group outside the main urban centers.

In the first group, it was possible to find companies in all the major economic sectors. The main reasons being that the companies located in the main urban centers have a relatively easy access to:

- a market for their inputs (energy, trained employees, supply of goods and services);

- a sizable local market for their production without undue transportation constraints and costs.

In the second group, Bandundu and Shaba "non-Gecamines", both input and output markets are very limited and the activity of

most companies was found to be restricted to trading and commerce, with an associated transport activity.

Consequentely, the problem of selecting a sample of private companies meeting the above-mentioned criteria differed with the geographical location:

- in Kinshasa, there had been no difficulty in selecting a large enough sample of companies meeting the size criteria in all the manufacturing sectors defined;

- in Lubumbashi, Likasi and Kolwezi, it has been possible to identify a sufficient number of private enterprises of more than 10 employees to select enough companies for interview in the light manufacturing, agro-industrial, construction and transport sectors.

- in the two above-mentioned regions however, the Consultant experienced difficulties in identifying enough private companies meeting the size criteria in the health care, and training sectors;

- outside of these two regions, the research showed that a sample of companies meeting the size and economic sector criteria was all but impossible to identify within the time period of the study. A list of small and medium enterprises identified in Bandundu and North-Shaba, classified by type of activity and size is presented in Appendix 2.

The problem was submitted to USAID at an early stage of the research (April 30, 1987) and the following suggestions for a slight change to the original Terms of Reference were presented:

- to modify the geographical location criteria of the sample and restrict it to Kinshasa, Lubumbashi, Likasi and Kolwezi. The number of companies interviewed in these cities would consequentely be increased to reach the agreed upon total of between 80 and 150. This solution had the advantage of ensuring a more representative sample of companies surveyed;

- to modify the economic sector criteria to include trading companies in the Bandundu and the "non-Gecamines" Shaba regions. This solution presented the problem of increasing the heterogeneity of the sample and to risk losing focus on adapted assistance recommendations;

- to modify the size criteria to include "cottage-industries" of less than 10 employees in the selected sectors in the Bandundu and the "non-Gecamines" Shaba regions. This alternative, however, would have required an increase in the budget since it entailed the preparation of a specific interview questionnaire and additionnal background

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documentation, presents new difficulties in identifying and interviewing the entrepreneurs and will most certainly lead to the development of separate recommendations in terms of an assistance strategy.

USAID agreed to change the original Scope of Work and opted for the first alternative presented. Consequentely, the survey was limited to manufacturing and production private companies of between 10 and 100 employees in the regions of Kinshasa and South-Shaba.

1.3. Work accomplished

This section reviews the work accomplished by the Consultant and presents the methodology used for the conduct of the data collection phase of the project.

The research and analysis part of the project was accomplished between May 4th and June 25th, 1987.

1.3.1. Preliminary research

The Consultant made the following research to identify a sample of small and medium-sized private companies which fitted the original criteria of sector, size and geographical location defined in the Terms of Reference prepared by USAID-Kinshasa.

- Documentary research.
  A number of documents were collected and analyzed:

  - background documentation provided by USAID;
  - "Annuaire des entreprises au Zaire en 1987", Editions ANEZA;
  - "Répertoire Kinois 1986", Editions HERMES ENTREPRISES;
  - "Conjoncture économique 1985-1986", Editions du Département de l'Economie Nationale et de l'Industrie;
  - "La relance de la petite et moyenne entreprise au Zaire", Actes du symposium organisé du 9 au 12-12-1985 par le DEPARTEMENT DE L'ECONOMIE NATIONALE ET DE L'INDUSTRIE avec le concours du PNUD, de l'ONUDI et de l'ANEZA.

- Preliminary interviews and contacts:
  A serie of meeting was held with the following individuals:

  - Mr. THIRAN, General Secretary of ANEZA;
  - Cit. LUPITO, Assistant to the General Manager of OPEZ;
  - Mr. LEONARD (German technical assistance), cit. MASALA and cit. NTOYA in the Département de l'Economie Nationale et de l'Industrie;
  - Mrs. BONNET and Ms. RAINA HO, Coopération Zaire-Canada (1984 census of private enterprises);
  - Cit. MANDIANGU, Direction des Etudes, Département du Plan;

- Cit. WAWA, Direction de la Diffusion et Coordination Statistique, Institut National de la Statistique (INS);
- representatives of various savings and loans cooperatives based in Kinshasa, Bandundu and Shaba: CBZO, CEAC, UCCEC, COOCEC-Shaba and members of the Canadian assistance team of the "Société Financière Internationale Desjardins";
- representatives of the "Comité Evangélique d'Alliance au Zaire" (church-sponsored credit organization);
- Mr. T. PICTON, Director of the EEC representation;

- in-house research with the assistance of COOPERS & LYBRAND's Kinshasa and Lubumbashi offices staff.

During this preliminary phase of the research, three interview questionnaires were also prepared and discussed with representatives of USAID. These interview questionnaires cover the information sought from the private sector SMIs, the financial intermediaries and the training institutions. These questionnaires are presented in Appendix 3.

1.3.2. Conduct of the field research

A number of small and medium-sized private businesses (SMBs) which meet the criteria of size, economic sector and geographical location defined in the statement of work were identified in Kinshasa and "Gecamines'Shaba" (defined as Lubumbashi, Likasi and Kolwezi).

1.3.2.1. In Kinshasa, we were able to list 112 companies among which 40 to 50 were, at the beginning, selected for interview. The number of companies actually interviewed increased during the course of the research since it was possible to identify more enterprises meeting the defined revised criteria. This list, classified by economic sector and company size is presented at the end of this chapter.

1.3.2.2. In "Gecamines'Shaba" we identified more than 50 private small and medium industries meeting the criteria.

1.3.2.3. In Bandundu and outside "Gecamines'Shaba" no companies were interviewed following the revision of the Terms of Reference. The companies identified in the 10 to 100 permanent employees range being almost exclusively in the trading or agriculture economic sectors or conducted by entrepreneurs working with less than 10 permanent employees, and in most cases with less than 5, in "cottage-industries", all of which were excluded from the scope of the study.

1.3.2.4. More than 130 representatives of private small and medium industries were interviewed, in a large number of cases twice, their manufacturing and production premises were systematically visited and the data collection questionnaire was completed by almost all the persons contacted. The information provided during those interviews and from the questionnaire is analyzed in detail in chapter three of the present report and a standardized company profile has been prepared for most of the companies. These are presented in Appendix 4.

A similar field research was conducted for study of the characteristics of the capital market and of the financial sector in that they related to their role, or the constraints they pose to the small and medium entrepreneurs.

1.3.2.5. In the non-structured financial intermediaries sector we were able to identify and contact representatives of savings and loans cooperatives, credit unions and private money-lenders.

1.3.2.6. Representatives of commercial banks and other structured financial institutions (SOFIDE, BCA, BZ and donor agencies for instance) were also contacted during the course of the study.

The result of the research conducted in this sector is documented in the chapter 4 of the present report.

Finally, the private and public training institutions whose operations, resources, programs and results were studied in detail have been as follows:

- CEPETEBE;
- CADICEC;
- INPP;
- CIDEP;
- Institut Superieur des Sciences du Travail (ISST);
- Centre de Perfectionnement Administratif (CPA);
- Institut Zairois de Management (IZM);
- CENACOF.

The result of the research conducted in this sector is documented in the chapter 5 of the present report.

2. METHODOLOGICAL ASPECTS

2.1. Documentation base

Although a lot has been written on the small and medium industrial enterprises, and a number of conferences and seminars held to discuss the problems that this sector faces and to recommend actions for improvement, very little in-the-field research has actually been conducted and the documentation base is by and large limited to generalities.

2.1.1. Reliable data on the characteristics and the operating, managerial and financial problems of small and medium industries is scarce, or too general, to be of real use in designing a project truly adapted to the needs of the sector.
The general background appears to be well known, and has made the subject of a number of articles but, to our knowledge, very little field work has actually taken place on the subject. As a consequence, the data base is scanty, of questionable reliability or pertinence, and of little use for the development of action plans. No survey of the operating and financial characteristics of the small and medium industries, of their production, provisioning, administrative, marketing, environmental (regulatory and otherwise) and financial problems, and of the needs for financial, managerial and technical assistance, as stated by the entrepreneurs, has been conducted in any depth to be representative of the sample of industries. The only field research we have identified, although we have been unable to get a copy, only covered the need for management training of entrepreneurs in South-Shaba.

2.1.2. Although the organization and functioning of the capital market and the structured financial intermediaries in Zaire have been thoroughly and repeatedly researched, their impact on the small and medium industry has largely been left undocumented. It is worth noticing, for instance, that although detailed statistics are available on the lending activities of commercial banks to the economic operators of this country, neither the banks themselves, nor the Central Bank or the Government or foreign donor agencies possess data, even general, on the loans made to the small and medium industries. These data are included in broader statistics such as those by size of borrower, including all economic activities, or those by economic sector, irrespective of size or legal status of the

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beneficiary. Nevertheless it is largely admitted that small and medium industries represent a tiny percentage of the lending activities of the financial intermediaries compared to agriculture, trade and large industrial public or private companies.

2.1.3. A large, and fast growing, financial sector, the Credit Unions Cooperatives, has not received much attention so far, and its role, problems and impact on the economy is yet to be researched and assessed in detail.

2.1.4. The description of the organization, activities and resources, and the managerial and academic quality assessment of existing training institutions might have been performed for a number of them, but these studies are usually difficult to obtain since they have been conducted under the sponsorship of a number of national or foreign agencies and organizations and no synthesis of the existing documentation base has, to our knowledge, ever been published. Moreover, when a quality evaluation has been made, it usually has been based on the research conducted in the organization itself, and not on data gathered from the beneficiaries, employees or employers.

2.2. Problems in the definition of "small and medium enterprises"

An additional problem that all researchers face comes from the fact that the criteria used to define the small and medium enterprises sector are not completely satisfactory and involve a great deal of heterogeneity in the sampling and, consequentely, in the results of the fact-finding research.

2.2.1. Although the sample of companies surveyed was selected according to the generally admitted size criteria of 10 to 50 permanent employees for small enterprises, and 50 to 100 for medium, the use of this criteria introduced a large element of heterogeneity in the results of the research, and will impact the development of recommendations adapted to the needs of the various types of enterprises.

2.2.2. The survey completed among a sample of small and medium enterprises in the manufacturing and production sectors of the economy, clearly indicates that the present largely used definition of "small and medium" is not really adequate, at least in the Zairian context. Manufacturing companies having between 10 and 100 permanent employees have been found to be extremely different in terms of operating (production and

management) and financial characteristics, requirements and prospects.

2.2.3. The research points to the fact that, whatever "industrial" sub-sector they belong to, enterprises of between 10 and (approximately) 30 employees have, in general, the operating and financial characteristics of the non-structured "cottage-industries" and their owners-managers are more craftsmen than entrepreneurs. Above the 30 permanent employees level, the companies usually have a number of characteristics which make them far closer, albeit on a smaller scale, to large private enterprises than to cottage-industries. In addition, the small and medium enterprises have so many fundamental management and financial traits in common as to make the distinction between them somewhat meaningless for anything but identification purposes.

2.2.4. On the contrary, the 100 permanent employee mark defining medium-sized industry appears to be too restrictive in a situation where labor is cheap and plentiful, mechanization is underdevelopped for a number of tasks requiring little skills and individual productivity is judged, at least by the employers, to be low. A number of companies employing between 100 and 200 employees could not reasonably be classified as large companies if one looks at the complexity of their production process, their organization, management and financial characteristics and their access to the financial markets.

2.2.5. It is interesting to notice, furthermore, that the industrial sub-sector is a determining factor of the type of company encountered. Generally speaking, in the sub-sectors producing final consumer goods, the private enterprises are either cottage-industries or large (by african standards) companies while, in the sub-sectors producing intermediate goods, one encounters few cottage-industries but a number of small and medium, and obviously also large, companies. In the first case we would mention the bakeries, liquor and beverages, garment manufacturing or furniture making businesses for instance while, in the second group, we would cite metal works, sawmills, textile or paint manufacturing businesses.

2.2.6. It also clearly appeared during the course of the research that the construction and transport sub-sectors have special characteristics of their own and the enterprises surveyed in this sector introduced an additional amount of heterogeneity in the survey results.

2.2.7. The design of assistance projects in the private sector of the economy should consequentely build upon clear objectives in terms of economic sector: primary, secondary and tertiary and, in some cases, sub-sectors like construction or transport, but also in terms of the type of enterprises it aims at: "mom-and-pop shops", cottage-industries, small and medium, or large enterprises. Trying to respond to the needs of too heterogeneous a serie of private enterprises with one project will likely miss each of the various targets and end up in implementing malajusted assistance resources and mechanisms solutions for all.

In the next six pages we present the list of 133 small and medium private industries included in the research sample classified by sector of activity, size and geographical location.

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: STAT Page 1 of 1
COOPERS & LYBRAND	CLASSIFICATION OF THE COMPANIES	Date: June 17, 1987

MAIN SECTOR OF ACTIVITY	KINSHASA			SHABA			TOTAL		
	<30	≥30	Σ	<30	≥30	Σ	<30	≥30	Σ
PRODUCTION OF CONSUMER GOODS									
Food products	1	3	4	4	4	8	5	7	12
Hygiene and cosmetics	1	4	5	-	1	1	1	5	6
Clothing	3	2	5	4	2	6	7	4	11
Household requisites	-	2	2	-	1	1	-	3	3
Household furniture	2	4	6	1	2	3	3	6	9
Miscellaneous	2	5	7	-	-	-	2	5	7
Sub-total:	9	20	29	9	10	19	18	30	48
PRODUCTION OF INTERMEDIATE GOODS									
Food products	-	2	2	-	-	-	-	2	2
Textile	-	1	1	-	-	-	-	1	1
Metal products	2	4	6	1	5	6	3	9	12
Wood products	-	2	2	1	3	4	1	5	6
Paper and cardboard	-	1	1	-	3	3	-	4	4
Construction materials	2	1	3	1	-	1	3	1	4
Glass	-	1	1	-	-	-	-	1	1
Plastics	-	3	3	-	-	-	-	3	3
Paint	2	2	4	1	1	2	3	3	6
Printing	2	-	2	-	2	2	2	2	4
Miscellaneous	2	-	2	-	-	-	2	-	2
Sub-total:	10	17	27	4	14	18	14	31	45
CONSTRUCTION AND TRANSPORT									
Sub-total:	15	5	20	6	14	20	21	19	40
								81	133

N.B.: Companies are classified by number of permanent employees.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: KIN Page 1 of 3
COOPERS & LYBRAND	LIST OF COMPANIES SURVEYED IN KINSHASA	Date: June 17, 1987

REF	NAME	MAIN ACTIVITY	E	DATE
		PRODUCTION OF CONSUMER GOODS (29)		
		Food products (4)		
DIS	Distribution Kinoise	Bread and cakes	22	06/16
BIS	BISCO-ZAIRE	Biscuits	50	06/10
ACO	ACOMA	Candies, chewing-gum, milk	70	06/04
INT	Interfruits	Liquors	15	05/26
		Hygiene and cosmetics (5)		
ELA	ELAS	Soap	30	06/15
LAC	LACOPA	Cosmetics	100	05/27
PAR	PARCOZAIRE	Cosmetics	27	06/04
ALB	ALBARAKA	Toilet paper	37	06/04
LAP	LAPHARZA	Drugs	50	05/28
		Clothing (5)		
ATE	ATENACO-LEVYTEX	Ready-made garments	12	06/15
KED	KEDAR	Shoes	15	05/29
COR	CORTHOZA	Orthopedic shoes	11	06/08
JED	JEDEX	Underwear	96	06/18
TRI	TRICOZAIRE	Knitted wear	91	06/18
		Household requisites (2)		
MET	METALU	Aluminium pots and pans	82	06/03
SOZ	SOZALU	Aluminium pots and pans	30	06/16
		Household furniture (6)		
ACP	ACP-SAKU	Kitchen furniture	115	06/15
DES	DESIGN	Modern style furniture	81	06/09
INT	INTERIOR	Modern furniture and decoration	88	05/28
DIA	DIAWA	Carpentry and cabinet-making	16	06/10
DEK	DEKA-MEUBLES	Carpentry and cabinet-making		06/05
TAN	TANGI-MOUSSE	Foam and spring mattresses	57	06/12
		Miscellaneous (7)		
LAM	LAMY	"BIC" pens and razors	45	06/11
MAZ	MAZADIS	Zairian music records	37	05/27
ALP	ALPHA & LUFF	Plastic office supplies	N/A	06/16
CAR	CARTOZAIRE I	School notebooks	46	06/04
MAS	MASHI & Fils	Blackboard chalk	18	05/29
SOC	SOCICO	Carment, Ice-cream, etc...	50	05/29
CEL	CELYA	Agricultural products	100	05/26

N.B.: E indicates the number of permanent employees.

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: KIN Page 2 of 3
COOPERS & LYBRAND	LIST OF COMPANIES SURVEYED IN KINSHASA	Date: June 17, 1987

REF	NAME	MAIN ACTIVITY	E	DATE
		PRODUCTION OF INTERMEDIATE GOODS (27)		
		Food products (2)		
LEZ	LEZA	Yeast	30	06/04
CMC	C.M.C.	Coffee roasting	34	06/11
		Textile (1)		
FFR	F.F.R.	Sewing thread	71	06/16
		Metal products (6)		
AME	AMEKIN	Mechanical workshop	45	05/26
MAZ	MAZAM'L	Metal cabinets	50	06/18
TRA	TRAMECOM	Mechanical workshop	50	06/15
SOU	SOUDOM	Soldering wire	20	06/03
SOZ	SOZABAT	Car batteries	67	06/03
ARM	ARMCO	Steel pipes	17	06/17
		Wood products (2)		
SOC	SOCOBELAM	Sawmill and Shipyard (metal)	140	06/04
LIG	LIGNAKIN	Plywood	50	06/08
		Paper and cardboard (1)		
CAR	CARTOZAIRE II	Cardboard boxes	59	06/04
		Construction materials (3)		
EFA	EFABLO	Bricks and bord-stones	15	06/02
BRI	BRIMBA	Clay bricks	N/A	06/06
ETE	ETERNIT	Fiber-cement	112	06/16
		Glass (1)		
ALL	ALLGLASS-ZAIRE	Plate-glass, Sheet-glass, Mirrors	46	05/28
		Plastics (3)		
MUL	MULTIPLAST	Bottles, Jerrycans	70	05/27
POL	POLYSAC	Plastic bags	70	05/27
ZPL	ZAIRE PLASTIQUE	Plastic bottle-racks	48	06/20
		Paint (4)		
GAM	GAMMACOLOR	Paint and lacquer	25	05/27
LAN	LANGI-ZAIRE	Paint and lacquer	30	06/08
DOM	DOMBAZI	Paint and lacquer	25	06/03
SON	SONPEK	Paint and lacquer	37	06/12
		Printing (2)		
TER	TERRANOVA	Printing-works	20	05/29
AET	AETRAC	Printing-works	18	05/29

N.B.: E indicates the number of permanent employees.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: KIN Page 3 of 3
COOPERS & LYBRAND	LIST OF COMPANIES SURVEYED IN KINSHASA	Date: June 17, 1987

REF	NAME	MAIN ACTIVITY	E	DATE
		PRODUCTION OF INTERMEDIATE GOODS (Cont'd)		
		Miscellaneous (2)		
SOR	SORAMO	Administrative services	26	05/29
ELO	Ets LO	Chemicals	N/A	06/11
		CONSTRUCTION AND TRANSPORT (20)		
PIO	PIOCHE	Building contractor	85	05/27
MAS	MASSY	Building contractor	15	05/28
ETA	ZAIRE-ETANCHEITE	Water-tightness and insulation	40	06/09
SEL	SELE-SHABA	Road transport	14	06/04
DOV	DOVELLE-N'KANDU	Road transport	24	06/10
BIK	BIKY	Building contractor	15	06/05
COT	COTRAGE	Building contractor	N/A	06/06
SIC	SICORE	Building contractor	12	06/08
ENT	ENTELKIN	Building contractor	12	06/09
AGI	AGIMEX	Building contractor	20	06/10
PAK	PAKAM	Building contractor	7	06/09
SET	SETRACO	Building contractor	45	06/12
ACI	A.C.I.	Electrical fitting-up	5	06/10
TRA	TRAGEMA-ETRAZ	Civil engineering and construction	28	06/08
AUX	AUXACOM	River transport	39	06/05
SOC	SOCIMCOZA	Building contractor	8	06/11
SOZ	SOZECO	Building contractor	11	06/12
ERC	ERCO	Building contractor	27	06/11
ENT	ENTREPRISE	Building contractor	105	06/10
COM	COMPTOIR KINOIS	River transport	24	06/20
		TOTAL INTERVIEWED: 76		
		NUMBER OF EMPLOYEES: * Less than 30 : 34 * 30 and more : 38 * N/A : 4		

N.B.: E indicates the number of permanent employees.

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SHA Page 1 of 2
COOPERS & LYBRAND	LIST OF COMPANIES SURVEYED IN SHABA	Date: June 17, 1987

REF	NAME	MAIN ACTIVITY	E	DATE
		PRODUCTION OF CONSUMER GOODS (19)		
		Food products (8)		
TAR	TARICA	Corn flour	104	05/12
CRI	CRISTAL	Bread and cakes	40	05/18
LCL	L.C.L.	Sterilized milk, butter, cream	29	05/16
GEP	GEPSY	Soft drinks	14	05/13
HUI	HUILZA	Oil	80	05/14
FRI	FRIGO-MOERO	Preserved fish	18	05/14
COG	COGETRA	Ice-plant	60	05/18
ATO	ATOMIC	Coffee roasting and ice-cream	13	05/19
		Hygiene and cosmetics (1)		
SAB	SABUNI	Soap	26	05/18
		Clothing (6)		
DIA	DIANA	Weaving and ready-made	31	05/13
TRI	TRICOZA	Weaving and ready-made	20	05/22
ROS	Ets. ROSIER	Work clothes	52	05/18
CHA	Ets. WA KUBIKUYU	Shoes	19	05/14
SIR	S.I.R.	Work shoes	20	05/14
SAV	SAVA	Leather goods	25	05/14
		Household requisites (1)		
SOT	SOTRAL	Aluminium and copper pots and pans	112	05/18
		Household furniture (3)		
ELI	ELITEX	Spring mattresses	92	05/19
NGO	NGOIE MUTELE	Carpentry and cabinet-making	55	05/26
KAL	KALENGA TEMBO	Carpentry and cabinet-making	15	05/19
		PRODUCTION OF INTERMEDIATE GOODS (18)		
		Metal products (6)		
SOM	SOMETOLE	Steel products and corrugated iron	72	05/14
JOU	JOURET	Miscellaneous metal products	68	05/12
TEX	TEXAL	Foundry and metal works	39	05/21
CMS	C.M.S.	Metal works	36	05/15
TDM	T.D.M.	Mechanical works	30	05/22
INC	INCOMETAL	Nails, buckets, barbed & mesh wire	16	05/16
		Wood products (4)		
KAM	KAMAREMBA	Sawmill	49	05/21
MAR	MARUCCHI	Sawmill, carpentry, building	112	05/19
SOZ	SOZACOT	Sawmill	85	05/15
KYU	KYUBAKA	Sawmill, carpentry	20	05/15

N.B.: E indicates the number of permanent employees.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SHA Page 2 of 2
COOPERS & LYBRAND	LIST OF COMPANIES SURVEYED IN SHABA	Date: June 17, 1987

REF	NAME	MAIN ACTIVITY	E	DATE
		PRODUCTION OF INTERMEDIATE GOODS (Cont'd)		
		Paper and cardboard (3)		
ASC	ASCO	Paper products	40	05/16
SAF	SAFEM	Paper and cardboard products	67	05/16
CAO	CARTOZAIRE III	Cardboard boxes	45	05/21
		Building materials (1)		
LAF	LA FATA	Flooring-tiles	11	05/15
		Paints (2)		
ALP	ALPHA	Paints and lacquers	30	05/19
LAS	LANGI SHABA	Paints and lacquers	18	05/15
		Printing (2)		
IMP	IMPAZA	Printing-works	122	05/13
INA	INATRAP	Printing-works	110	05/21
		CONSTRUCTION AND TRANSPORT (20)		
ECT	E.C.T.M.	Building contractor	50	05/14
BAM	BAMPANGIDI	Civil works	60	05/15
BIO	BI.O.KAM	Building contractor	60	05/14
MUY	MUYANGE MANGI	Building contractor and Transport	40	05/15
PEU	PEUTO	Civil works and Transport	42	05/12
DIU	DIUR	Transport and Brick-making	55	05/15
ENK	ENKIM	Building contractor and brick-mak.	17	05/13
KAS	KASHALA	Building contractor and Transport	37	05/14
NZA	NZADJI	Building contractor	45	05/13
MWA	MWANDWE	Building contractor	45	05/15
SAL	SALA	Transport	11	05/18
MAK	MAKINA	Transport	75	05/19
ETA	ETAC	Building contractor	86	05/18
MUK	MUKAZ	Building contractor and Transport	22	05/18
KAK	KAKAKAJI	Building contractor	46	05/19
KAM	KAMUKA	Building contractor	25	05/19
KAP	KAPINDA	Building contractor	50	05/18
KAZ	KAZADI	Building contractor and Transport	18	05/15
KAT	KATSHIMBISHA	Transport	30	05/15
TSH	TSHIPOLA	Building contractor	20	05/18
		TOTAL INTERVIEWED: 57		
		NUMBER OF EMPLOYEES: * Less than 30 : 19 * 30 and more : 38		

N.B.: E indicates the number of permanent employees.

CHAPTER 2: ISSUES RELATIVE TO THE ASSISTANCE TO SMALL-SCALE ENTERPRISES

Small-scale enterprises are increasingly recognized as having a rightful place in strategies for socio-economic development. On a world-wide basis, these enterprises have been the target of substantial financial and technical assistance from national and international development finance and technical agencies, from aid program of more developed countries, and from private voluntary agencies.

A fair amount of evidence is available on the role of small enterprises in Asian and Latin American countries, but much less is known about Africa.

Two questions arise from the attention to small enterprises:

- First, is it justified in terms of the potential or actual contribution in Africa ?

- Second, given the characteristics of these enterprises in Africa, what measures can best enable them to take advantage of their potential ?

The research conducted in Zaire among a sample of small and medium enterprises of the manufacturing and production sector was designed to provide USAID with some answers, backed by the appropriate documentation, to these fundamental questions.

1. POTENTIAL ECONOMIC DEVELOPMENT ROLE OF THE SMALL ENTERPRISES SECTOR

In the post-independence period of the 1960s, policy and research in Africa focused on expansion of large-scale, "modern" industry, especially to substitute for products imported from the former colonial countries. Increasing concern for the small enterprises sector in the 1970s arose from several sources among which a greater interest in aspects of development other than investment and output growth, an increasing dissatisfaction with the parastatal sector, rising emphasis on a self-reliant approach to development and the failure of past industrial promotion policies to generate efficient, self-sustained growth.

Perhaps the most compelling argument for small enterprise development is that, at least in the present economic environment if not inherently, small enterprises are more efficient, or can be made more efficient, than their large-scale counterparts in the use of all production inputs: labor, capital and materials. Import-

substitution industries that were promoted through Government incentives, capital subsidies, and tariff barriers are frequently found to be large and highly capital-intensive, to operate at low levels of total factor productivity, and to require substantial physical and financial infrastructures.

It is now widely recognized that a dynamic and growing small enterprises sector can contribute to a wide range of development objectives held in common by governments, donors, and international agencies.

The purpose of a number of researches done in the past in various African countries was to identify the key characteristics of the SME sector in Africa, and particularly those of the small-scale manufacturing sector, and evaluate if they actually or potentially favor the development objectives intended.

Those objectives can be summarily presented as follows:

- employment creation,
- efficient use of resources,
- mobilization of domestic savings and investments,
- expansion of the role of domestic entrepreneurs,
- training of managers and semi-skilled workers,
- use of local resources,
- more equitable income distribution, and
- growth of production oriented toward basic consumer goods.

1.1. Employment has become a development issue in itself as it became apparent that the very small "modern" sector in Africa could not absorb the burgeoning number of job-seekers, especially rural-urban migrants. Although individually small in size, the SMEs often provide the bulk of employment in manufacturing, services and commerce.

1.2. Economic growth in Africa has been slowed by the low rates of domestic savings. Investment opportunities in SMEs may provide an incentive to savings since it constitutes an outlet for personal savings at relatively low income levels which would otherwise go unrealized.

1.3. In addition to growth of aggregate income, equitable distribution of this income among the population has received increasing attention as a goal of development. SMEs offer the possibility both of providing income to the lower-income population and of supplying their needs. Large import-substitution industries tend to produce primarily for relatively higher-income consumers.

1.4. The desire to increase the role of nationals in ownership

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and management has also stimulated programs to assist SMEs as a means of promoting indigenous entrepreneurs.

1.5. The shortage of managerial and middle-level skills has been recognized as an important constraint on the ability to utilize resources effectively in Africa. SMEs offer the possibility of conserving scarce managerial abilities through a less complex organization of production than in large-scale firms and public or parastatals agencies.

2. GENERAL CHARACTERISTICS OF SMEs IN AFRICA

The analysis of the general characteristics of African SMEs which is briefly presented below suggests that, on the whole, they have the potential to satisfy the various objectives mentioned in the preceding section.

Both qualitative and quantitative data produced by a number of researches conducted in various countries of the African continent clearly show that small enterprises account for the bulk of employment in the manufacturing in most African countries. SMEs, however, account for a considerably smaller share of manufacturing output than employment, although the data are less reliable.

2.1. Industrial sectors of small-scale enterprises

Enough studies have been done of small-scale manufacturing in Africa to give a reasonably clear picture of the types of industries that predominates.

2.1.1. Although empirical evidence is lacking on the relative size of SMEs employment in sectors other than manufacturing, it appears that the large-scale sector generally predominates in mining, public utilities, construction and public services, while informal petty trade dominates commerce.

2.1.2. Clothing is consistently the largest SMEs activity in African countries, generally accounting for a third or more of industrial employment in this sector, while furniture and wood-working generally come second, with on the order of an eighth of total SME employment. When vehicle repair (not strictly manufacturing though) is included in the surveys, it usually comes third. Other important sub-sectors are metal-working, food products, especially baking, shoemaking and repair and, in some cases, printing.

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2.1.3. The industrial distribution of SMEs appears to be somewhat different from that of large-scale firms, although they overlap at aggregate levels. Large-scale private manufacturing in Africa is heavily concentrated in food, beverages and tobacco, and there is little direct competition between large and small enterprises in these sectors. Although textiles and apparels usually become a major modern manufacturing industry, its production is concentrated in cloth, while SMEs produce mostly custom clothing which in most cases do not even compete with locally mass-produced clothing for export. Wood products is another industry that is often quite large in the "modern" as well as in the SME sectors, but generally because of sawmilling and plywood-manufacturing than furniture making. Metal-working is the most important "heavy" industry among SMEs, and it tends to be organized more along "modern" rather than "artisanal" lines.

2.1.4. Even when large and small firms produce substitutable products, they are not always in direct competition. For one thing, SMEs products are often custom-made to individual orders and hence marketed directly by the producer, whereas large-scale products are mass-produced and marketed by wholesalers and retailers. For another, the generally lower quality and price of SME goods enables them to supply the lower-income market, which often cannot afford the cost of "modern" sector products.

2.2. Key common characteristics of African SMEs

A number of studies demonstrate a pattern of key characteristics of the small enterprise sector in Africa. These characteristics are discussed in that they relate to the factors presented above.

2.2.1. Small firms, in general, lack access to institutional credit and incentive schemes, while they are often able to pay workers (especially apprentices or temporary) less than the legal minimum wage. Large, "modern" sector firms, on the contrary, often can borrow capital at favorable interest rates, and may pay workers relatively high salaries to attract a skilled, stable work-force.

2.2.2. Data on total factor productivity in African industries is virtually non-existent. Some evidence exist, however, that small firms use capital more productively than large ones. Since most entrepreneurs face much

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higher costs of borrowing capital, if they have access at all to credit, they would naturally tend to use it more productively than do large investors. Although lower labor productivity in small firms does appear to be generally offset by higher capital productivity, it is not clear, however, if the net result is greater or lower total factor productivity in terms of the true economic costs of these factors.

2.2.3. Within the SME sector, differences in the degree of dependence on infrastructures are evident. Medium-scale firms are similar to larger ones in their dependence on public utilities, repair services, transport facilities, industrial buildings. Smaller ones, however, generally provide their own power, mechanical, hand or generator, and can adapt relatively easily to different types of location and shelter.

2.2.4. SMEs are widely presumed to use technologies that are less "modern" than in large firms and that are more appropriate to local conditions.

2.2.5. SMEs are consistently described as an outlet for indigenous entrepreneurship, in contrast to the domination of large-scale private industry by foreign-owned, or foreign-managed enterprises. In general it has been found that owners of small enterprises in Africa originate from within the small enterprises sector, although as frequently from commerce than from manufacturing. A surprising finding of many surveys conducted in Africa is the limited extent to which skills learned in larger firms form the basis of subsequent investment in small-scale enterprises.

2.2.6. The level of formal educational attainment among small business proprietors are quite modest, although as a group they reflect a higher level of formal education than the population in general. Owners of enterprises, particularly the more traditional small-scale activities, are generally either craftsmen-entrepreneurs who are technically proficient in the manufacturing process but lack extensive training in management, or merchant traders who usually have little formal education or technical training.

2.2.7. It is generally observed that SMEs are not managed as efficiently as they could be, especially in matters such as financial records and book-keeping. Large scale production requires trained, specialized managers and supervisors which, in Africa, often means expatriates. Production skills also tend to be generated within the

small scale sector, through on-the-job apprenticeship, whereas large firms often depend on outside training.

2.2.8. Investments in the SMEs are overwhelmingly financed by the personal savings of the entrepreneurs, sometimes supplemented by loans from relatives. These savings often come from agriculture and trading, or ploughback. The paucity of funds obtained from commercial banks or public development agencies for initial or continuing finance is striking.

2.2.9. It is commonly observed that SMEs provide much of the consumer goods demanded by the medium or lower-income population whereas modern sector products are disproportionately directed toward the upper-income population. This finding, however, is partly attributable to different consumption patterns across industries, partly to low-cost versus high-cost substitutes within an industry, and partly to quality differences for a same product. The SME sector nevertheless caters to a wide range of demand, since the quality and cost of many custom-made products depend on the skill of the craftsman and the quality of the materials and production tools which it can afford.

2.2.10. Subcontracting relationships between large and small firms seem to be rare in Africa. One reason might be the dominance in the modern private sector of foreign-owned import-substitution firms, which tend to import most of their inputs, and in the parastatal sector, a tendency to integrate activities as much as possible and to favor purchasing deals with foreign suppliers.

2.2.11. An important linkage of the SME sector to other sectors is through its use of raw materials. Agro-processing activities have a direct linkage to the agricultural sector, and SMEs sometimes have an advantage in utilizing and recuperating waste materials, often from large firms. The growth of large-scale industries also may generate additional demand for goods and services provided by certain small-scale industries primarily because the location of industrial sites draws workers away from home and certain activities, such as clothing, food preparation, transport, construction, may then be replaced by SMEs.

The field research conducted among a selection of small and medium industries in the two surveyed regions of Zaire interestingly supports most of these general findings as demonstrated in the following chapter.

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CHAPTER 3: OVERVIEW OF THE SMALL AND MEDIUM SCALE PRIVATE MANUFACTURING SECTOR IN KINSHASA AND SOUTH SHABA

The objective of this chapter is to present the results of the field research conducted under the Terms of Reference of the "Private Sector Program Design" study based on a sample of 133 small and medium industries in the regions of Kinshasa and South-Shaba.

1. ORGANIZATION OF THE FINDINGS

Although the research conducted in Kinshasa and South-Shaba is by no means exhaustive, it nevertheless covered a wide range of enterprises, in terms of size and economic sector, and a fair number of companies. The same detailed interview questionaire was used for all the companies and, for a number of topics, the answers received proved to be very similar from one enterprise to the other.

As a consequence, we believe that the sample surveyed is representative of the sector as a whole and the results of the research are presented hereafter.

In the analysis of the characteristics and present problems and needs of the sector, one should distinguish between:

- the general characteristics and constraints which are common to all Zairian industrial enterprises, irrespective of the economic sector in which they operate, their sources of supply, their geographical location, or their size,

- the characteristics and problems which are directly related to:
  - the economic sector in which the company operates,
  - the sources of supply of raw material,
  - the geographical location of the company,
  - the size of the enterprise.

- the individual characteristics and problems of the different firms. Case studies and company profiles for a number of different enterprises are presented hereafter.

In the first chapter, we presented the list of companies included in the sample. These companies were classified by regional location, economic sector of activity and size. All of the companies mentioned were visited, an interview with the owner or manager was organized and a documentation questionaire was completed.

2. GENERAL CHARACTERISTICS AND PROBLEMS

2.1. Monetary depreciation

All Zairian companies have to face the problem of the national currency depreciation. This depreciation remained relatively moderate in 1984, 1985 and 1986, but has been accelerating brutally since the end of 1986. The Zaire, in six months, has lost approximately fifty per cent of its value compared to other foreign currencies.

The consequences of this phenomenon are:

- the extreme difficulty experienced by the industrial companies'managers to calculate a cost price which reflects all of its components, and particularly the cost of supply and the provisions for depreciation.

- in spite of this difficulty, the need to determine a selling price which reflects the cost structure of the goods produced and make the operation profitable.

- the negative impact of the delay between, on the one hand, the production of the goods and their invoicing and, on the other hand, the collection of the payment by the customer. Commercial credit has, in most cases, disappeared and is replaced by a cash-on-order or cash-on-delivery policy.

- the fact that the financial statements of the enterprises have become almost meaningless since the fixed assets and the corresponding provisionfor depreciation and the inventory of goods and parts are not revalued. The operating profit which is calculated is often fictitious and hides the decapitalization, in real terms, of the company.

These consequences are made worse by certain aspects of the existing economic regulations among which:

- there is no fiscal advantage, although there are economic ones which, unfortunately, are not understood by many entrepreneurs given their level of management knowledge, in performing asset revaluation. The tax authorities reject the amortization on the revaluation and only accept the amortization based on historic costs in the calculation of the enterprises' operating profits.

- the previous law permitting revaluation with fiscal benefits ceased to exist with effect on December 31st, 1985.

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- the legal obligation to companies to calculate the cost price of their products from the purchase cost of the latest goods in stock, whatever the date at which those goods were stocked.

The problem of the monetary depreciation is probably one of the most, if not the most, harmful problem that the Zairian industrial enterprises have to face.

This monetary depreciation originates both from structural and from cyclical causes.

Structural causes are endogenous to the economic, social and political situation of Zaire. These structural causes are well-known, but it is still useful to repeat them.

They mainly, although not only, originate in the budgetary deficit of the State, which is itself a consequence of the gap between its collected resources and the cost of its yearly operation and the result of unproductive past investments. Present operating expenses have to be met through the Bank of Zaire financing which occasions an inflationary increase in the money supply and, indirectly, a shortage of credit made available to the economic operators through the commercial banking sector. The increase in money supply bears little relation to the increase in the Gross National Product and the unproductive past investments occasion, in spite of a trade balance which shows a surplus, a large deficit in the balance of payments which inevitably leads to a depreciation of the Zaire currency with regard to foreign currencies.

They also derive from the lack of diversification of the officialy exported products generating foreign currency which are recycled into the national economy. Gecamines' metal products share now stands at roughly sixty percent of the total foreign currency earned by the Republic while it stood at only thirty to thirty-five percent twenty-five years ago, at a time when petroleum products were still not exported. This characteristics occasions an excessive dependency of foreign exchange earnings on the world price of very few commodities, that is to say on cyclical factors which are exogenous to the national economy. However, the impact of these factors are that much strongly felt since the government expenditures do not vary much in relation to its income.

Obviously, the consequences cannot be permanently addressed unless the causes of the phenomenon have been satisfactorily resolved.

To try to assist the small and medium zairian enterprises without taking into account this fundamental aspect of their operating environment is like implementing a fish-farm in a chemically polluted river !

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These problems are discussed and analyzed in greater detail in the chapter devoted to the capital market and financial intermediaries review.

2.2. Fiscal environment

All zairian industrial companies operating in the current fiscal environment encounter a number of problems, both in terms of direct and indirect taxation .

With respect to the direct taxation, the major problem concerns the fact that fixed assets revaluation does not bring any fiscal advantage, although monetary depreciation should make this operation systematic and permanent. As a consequence, a number of industrial companies do not revalue their fixed assets and their financial statements do not represent the reality of their results.

With respect to the indirect taxation, we must distinguish between the import and export taxation (OFIDA), the internal operations taxation (CCA, FCD taxes) and the various local and national taxes:

- the problems caused by the OFIDA taxation vary with the nature of the activities performed by the different enterprises and their sources of supply. It is interesting to notice, however, that this taxation whose major objective should be to encourage the development of the local production of goods through import tariffs and export incentives, often appears to be designed less with this objective in mind than with the maximization of the government's fiscal receipts.

- the problems caused by the other taxes concern less their burden, than the proliferation of these taxes which occasion, for the industrial producers, a kind of "fiscal harassment".

2.3. Regulatory environment

The problems occasioned by the monetary and fiscal policies are made more acute by a number of regulatory factors.

It can safely be said that the regulatory environment is not particularly supportive to the small and medium enterprises, in spite of official statements stressing the recognition of the importance of the sector and the preoccupation of the government for its well-being.

2.3.1. The first problem is the well-known inefficiency of a number of public organizations which are more than often characterized by overstaffing, whose civil servants are notoriously underpaid, often poorly qualified and sometimes corrupt. The administrative "jungle" which results from these factors presides over a multitude of obscure and often contradictory regulations, in which the slightest step, to obtain an official document or authorization for instance, is always time-consuming, usually frustrating and sometimes expensive.

2.3.2. The actual impact on the economic operators is diverse however. For instance, some might take advantage of the situation to evade, to a varying extent, their fiscal burden while other are hurt by the illegal import of goods in direct competition with their own locally manufactured products. The control of some important economic operations, such as coffee and diamond exports or second-hand clothes and textile imports for instance, becomes an illusion.

2.3.3. Similarly, one can mention the restrictions to the free circulation of the persons and the goods which result from a number of haphazard controls, inside the country and at its borders. These hindrances add to the transportation costs and delays which already result from the size of the country and the condition of its road and rail network.

2.3.4. The second problem comes, in spite of the official tenet of "libéralisme concerté" (concerted liberalism), from what has been for a number of years the increasing involvement of the State in a growing number of economic sectors and activities.

2.3.5. This involvement has been characterized in the past by the promotion of a number of sometimes un-economic and often unprofitable industrial and infrastructure investments. It can still be seen in the proliferation of a number of public agencies or parastatal organizations which intend, at different degrees, to assist, stimulate, coordinate, orient, control and finally direct most aspects of the economic life. These organizations are often extremely bureaucratic in their staffing, outlook and operating mode and they frequently have operating costs which bear little relation to the amount of work actually performed or to the results they obtain, when they do not constitute an hindrance to the operation of the private economic activities.

As a matter of fact, a large proportion of small and medium businessmen interviewed claimed to be routinely subject to all sorts of controls and interferences from official agencies' representatives which, in their view, amount to harassment.

2.3.6. The third problem originates from the tightness of the banking market for short-term credit and from the fact that there is no financial market for medium and long-term funds.

2.3.7. The inadequacy of the supply of short-term funds through the commercial banks is a direct result of the policies implemented by the Central Bank. These policies, such as the reserve requirement, intend to compensate for the inflationary nature of the role played by the Central Bank in financing the government budget deficit but prevents the banking sector to play its normal role of profitable recycling of short term liquidities through the economy.

2.3.8. This negative factor is amplified by the chronic shortage of foreign exchange which are made available to the banks.

2.3.9. The absence of a financial market for medium and long term funds primarily results from the lack of real incentive for international risk capital to be invested in Zaire, or from the perception their potential investors carry of the economic and political outlook of this country. Although no figures are available on zairian owned capital abroad, it is nevertheless widely believed that wealthy nationals share the same reservations as foreign investors and that the former are recycling a limited amount of their potentially available funds in the economy of their country.

2.3.10. Finally, except for SOFIDE whose funds are limited and originate for the most part from foreign bilateral or multilateral assistance sources, there is no investment bank in Zaire which could encourage long term private capital to be invested or recycled in this country.

2.4. Institutional environment

A number of institutions exist in Zaire which claim to work for the promotion of the small and medium enterprises and for the satisfaction of some of their most crucial technical, financial a i training needs.

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The major institutions, outside the training organizations which are reviewed in a specific section of this report, are the "Office de Promotion des Petites et Moyennes Entreprises Zairoises" (OPEZ) and the "Association Nationale des Entreprises du Zaire" (ANEZA).

2.4.1. Office de Promotion des Petites et Moyennes Entreprises Zairoises

The "Office de Promotion des Petites et Moyennes Entreprises Zairoises" (OPEZ) was established in 1973 by the Government to provide:

- technical assistance to small and medium enterprises in equipment choice, investment analysis and new equipment installation,
- consulting assistance on managerial and operational issues for small and medium businesses,
- managerial training to promoters and their staff, and
- assistance in preparing feasibility studies for investors and for firms applying for benefits under the Investment Code and the Guarantee Fund.

2.4.1.1. Although OPEZ started with about eighty staff members, it soon proved unable to fulfill its role as promoter of small and medium zairian enterprises because the Government never actually contributed the necessary and planned funds to the institution's budget and the ten percent of the patent tax, which regional governments were obligated to pass to OPEZ, was in fact never given to that institution.

2.4.1.2. Given the paucity of its financial resources, OPEZ concentrated its first efforts on preparing feasibility studies for client companies on request. Due to lack of discrimination in the selection of the investment projects submitted for study, and to inadequate collateral, only about ten percent of these efforts resulted in actual investments.

2.4.1.3. The Guarantee Fund on which a number of potential investors were also counting was at the time not operational either.

2.4.1.4. In addition, the effective role that such an official agency might actually be able to play can be questioned in the first place in view of the traditional attitude of entrepreneurs towards the Administration and its civil servants.

2.4.1.5. As a result of these factors, OPEZ could not fulfill its assigned role and the institution's affiliates, which numbered nine hundred in 1979, fell to one hundred and fifty one by December 1982. during 1983, salaries for professionals could not be met and all the analysts resigned to join other organizations. Funds from donor agencies such as UNIDO also dried up and OPEZ lost most of the little reputation it had as an agency for small business development.

2.4.1.6. In 1985, the Government renewed its interest in OPEZ, reorganized the management, about thirty new professionals were recruited and the Guarantee Fund became operational. It now regularly contibutes funds but these still cover only about fifty percent of the operating expenses.

In spite of the recent improvements, most entrepreneurs remain highly skeptical about OPEZ's actual potential for help, when they are not downright critical of its efficiency and the results produced so far. This image will have to be changed before OPEZ can perform its mandate satisfactorily.

2.4.2. Association Nationale des Entreprises du Zaire

The "Association Nationale des Entreprises du Zaire" (ANEZA), which is Zaire's only Chamber of Commerce, was founded in 1973 as an association of Zairian employers to:

- inform members of regulations affecting their businesses and of policy and administrative changes,
- represent and defend the interests of Zairian enterprises in all forms, including the formulation and implementation of Government policies, and
- promote a harmonious relationship between firms, employees and other agencies.

2.4.2.1. ANEZA has eight regional and thirty nine sub-regional offices spread throughout the country employing at least one permanent professionnal each in addition to its Kinshasa headquarters which includes thirty eight professionals.

2.4.2.2. In November 1986, ANEZA membership stood at 3,215. About eighty percent of the members are classified as small and medium enterprises, a quarter of whom are in production and the remaining mostly in trade.

2.4.2.3. ANEZA's principal strength derives from its financial resources and independance. Its budget from membership fees stood at US $ 1.8 millions in 1986. In addition

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it was able to attract the technical and financial interest of a number of foreign donor agencies such as the World Bank, UNIDO, the EEC and the French "Fonds d'Aide et de Coopération" (FAC).

2.4.2.4. One of ANEZA'seven departments is specifically in charge of small and medium businesses. It was established in 1985 to improve the services and support that ANEZA provides to its small and medium businessmen members.

2.4.2.5. So far, with respect to small and medium businesses, ANEZA has provided support for a four-year UNDP technical assistance project in Kivu and a two-year EEC management assistance project in Shaba. A three-year technical assistance project funded by the FAC to the amount of 13.1 million French Francs is scheduled to start in 1987

In spite of this fairly good record for a newly established department, it was surprising to learn through the survey that a large number of entrepreneurs were not impressed by ANEZA's actual results in defending its small and medium industrial members and by its contribution to their development. Most businessmen interviewed declared that ANEZA is more preoccupied by the needs of its large companies and commercial members than by the problems of the small and medium industrial members and that implementation of tangible actions seldom follows the numerous discussions held and documents produced.

However, it is fair to say that ANEZA's potential for assistance is probably better than perceived by the industrial entrepreneurs. They usually stress the need for financial assistance which is not really an organization like ANEZA's role, while they often forget the useful actions which it can play in such sectors as management and technical training for instance.

In conclusion it can be said that, although a lot of lip service is being paid in favor of the small and medium enterprise sector and the role it plays in the economy, very little seems to have been done, in actual terms, to help the local entrepreneurs operate and develop their businesses.

3. CHARACTERISTICS RELATED TO THE ECONOMIC SECTOR OF ACTIVITY

The characteristics and problems which are related to the economic sector of activity in which the company operates are best approached in terms of market.

In this matter, some fundamental trends seem to exist in Zaire and they would explain why different economic activities are likely to experience either expansion or decline.

Among those trends one can mention:

- the demographic explosion of the city of Kinshasa.

- the increasing difficulty, due to transport, to market the produced goods in vast regions of Zaire (Shabian producers are more and more limited to the market of the urban centers of the region for instance).

- the continuous decline of the population's purchasing power which favors the consumption of low-quality goods (second-hand clothes versus garment, plastic versus leather shoes for instance).

- the change in dietary habits which, for some food products, favors imported goods (wheat versus cassava in Kinshasa for instance).

According to these trends, it is possible to classify the industrial sectors which are likely to experience:

- expansion and growth such as production of basic food products, soap and drugs, plastic shoes and most of the essential low unit cost consumer goods.

- decline such as manufacturing of ready-made clothing (competition from second-hand clothes), fiber-cement roofing (competition from corrugated iron) and most of the medium-quality consumer goods.

or those for which the market trends cannot be used as indicators of the future of the enterprises: most intermediate goods where, in terms of type of goods produced and market niche, heterogeneity is a fundamental characteristics.

3.1. All entrepreneurs interviewed mentioned the decrease of the population's purchasing power as a serious problem for the local industry, although the research shows that the impact varies greatly from sector to sector. Hardest hit seem to be the companies manufacturing medium-quality consumer goods such as ready-made clothing, shoes and furniture. Companies producing the essential consumer goods present a more diversified picture and, in their case, it is difficult to assess if their problems stem from the market aspects or from other factors such as the competition of large firms. Bakeries would be a good example of the latter firms. Companies producing intermediate goods, i.e. goods used

in the production process of other industries or firms, do not present a consistent enough picture on this point to pass a judgment, although a number did mention shrinkage of their solvent market as one of their problems. The construction companies of Kinshasa face a different problem. Apparently they are less affected by the lack of potential customers, since most are convinced that a lot of building is still taking place in the capital, as by the absence of regulation of the profession and the loss, to "amateurs" and not-registered individuals, of a large portion of the solvent market. This aspect is also of concern to the printing shops sector.

3.2. For a number of companies the decrease of the population's purchasing power and consequentely of their solvent market also explain the present status of equipment under-utilization. The large increases in revenues over the past three years indicated in the survey by a number of companies should not be misleading on the actual results since those figures are expressed in current Zaires. Monetary depreciation tends, at first glance, to hide the fact that the production might, in fact, have decreased.

3.3. The impact of the decrease in the purchasing power of the customers of the local industries is certainly made worse by the fact that almost no company, at present, extends credit to private customers. This cash-on-order or cash-on-delivery policy is a direct conse-quence of the monetary depreciation which makes carrying receivables for any period of time extremely expensive. A number of entrepreneurs admitted to the fact that they have been experiencing some decrease in their sales since they implemented this policy, but all mentioned it was also an essential requirement for their very survival.

3.4. In addition to the generally admitted decrease of purchasing power of the majority of the population, a number of local industries also suffer from the competition of imported products. We found a number of cases where the import duty tax is a disincentive to local production since the duty applicable to the raw material is, in some instances, lower than the duty applicable to the finished product. In addition, it is a well-known fact that foreign producers tend to export those goods which, for any number of reasons, cannot be sold on their usual market, to countries such as Zaire at a very low price, sometimes at the marginal cost of their (large serie) production. Local industry, which in the first place might produce the same goods more

expensively because of economies of scale and other factors, obviously cannot compete on such a basis unless it enjoys protection from such practices, through heavy import duties for instance. But, in addition to other limiting factors, it is generally recognized that custom tax enforcement is not pursued as effectively as it should in this country and that a number of importers evade those taxes, even if they do not evade the custom officials' attention.

3.5. Established companies suffer greatly from the "unfair advantage" which characterizes the importers'way of doing business in this country and which allows them to undercut, for a number of goods, the local producer. Established industries importing raw material are far more likely to be subject to control on their purchasing invoices by tax collectors and custom duty officers than a number of importers with no fixed premises and hard-to-locate inventories.

3.6. Producers of intermediate goods are more and more undercut by importers on the parastatals and big wholesalers' market. They usually have a higher unit profit margin, less constraints for accounting and lower overheads, when the custom duties are not outright encouraging use of imported goods (paper versus school notebook for instance). Questionable purchasing deals and lowest-bidder rule increasingly put established local industries at a disadvantage vis-a-vis "one-shot" traders.

3.7. Parastatals (Gecamines and SNCZ), although they are big customers for locally produced goods, usually do not program their purchases from local industries which consequentely cannot organize their production and invest in new equipment and are constantly facing market instability. In a number of cases, the industries cannot answer urgent requests and the contract goes to the foreign supplier.

3.8. The administrative cost of setting up a small business is extremely low, if not nil, which allows a number of people to use their gains made in other ventures, usually trading or transport, to "try their hand" at small-scale manufacturing. They purchase one or a few second-hand machines, locate in a low-rent building (or their own house), hire poorly-paid workers and start producing some goods. Usually no market research, or financial evaluation of the long-term viability of the venture is carried-out beforehand. In these conditions, we have found a relatively large number of small enterprises in difficulty after a few months, or years,

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of operation. In the meantime, these companies badly disrupt the market since they tend to undercut the better-established companies, either because they badly need to capture a market at any cost, or simply because the cost-of-goods sold is not properly calculated. A number of these entrepreneurs we interviewed which fall in this category appeared to have a very short-term vision of their manufacturing activity and reason more like brokers, in search of a profitable (?) one-shot deal, than like industrialists establishing the organization and facilities required to serve a market on a long-term basis.

3.9. It is questionable, in the first place, whether a number of the industrial activities can operate profitably in this country without a strong, and strictly enforced, protection. Although labor is cheap, its productivity is questionable and a number of costs, especially raw materials and transportation, are high. The reachable and solvent market is limited and economies of scale hard to reach within the national borders. Export to neighbouring countries faces a number of difficulties and resistance, and export to industrialised countries would require, among other things, a quality and reliability of production that these small industries have difficulties to reach and to maintain. An economic research, which falls outside the mandate of this study, should be conducted to clarify and support this point.

4. SOURCES AND AVAILABILITY OF SUPPLY

4.1. Source of supply of raw materials

The nature of the problems differs according to the major source of supply of the companies: direct imports paid for in foreign currency, imported goods paid for in Zaires at a local importer, or locally produced and purchased goods paid for in local currency.

When they import their own raw materials, the companies, to obtain the letter of credit, must deposit at a commercial bank, the amount equivalent, in local currency, to the full amount of the goods purchased in foreign currency. In addition, they must also deposit an amount equivalent to eighty per cent of the import taxes which would be due when the merchandise is delivered in the port of entry. Those amounts are revised when the bank actually opens the letter of credit according to its availability of foreign currency,

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and when the goods are invoiced, according to the evolution, in the meantime, of the Zaire currency.

Since the delay between the opening of the license and the actual delivery of the goods is, in most cases, considerable (2 to 6 months) and since the national currency depreciates at a rapid pace, the consequences for the small and medium businesses are:

- an important and costly cash lock-up for companies which, traditionaly, are always facing working capital shortage.

- a considerable exchange "risk" (in fact a certainty of loss) for partial letters of credit, while the commercial bank can, in some cases, enjoy the benefit of the commercial credit (30 to 90 days) granted by the foreign suppliers.

The local industries have to support the cost of a relatively high level of current assets in the form of goods-to-be-delivered and inventories since they have to remain at the minimum level required to ensure continuity of production.

For foreign supplies purchased locally, the importer supports the above-mentioned costs but these, plus the importer's profit, are obviously passed on to the customer. In addition, the purchaser cannot always rely on the availability of those goods which are necessary to maintain its production.

For local goods, the unreliability and, increasingly, the shortage of supply is a problem. Additional difficulties arise when those local goods can be exported and earn the local producer some foreign currency. If the price of those goods is increasing on the world market, the local producers would rather export their production than sell it to the local industry. This constraint occurs regularly for such goods as wood, palm oil, rubber and coffee.

4.1.1. Import licence regulations are a huge financial handicap for small businesses which have to deposit at the bank 100 % of the Letter of Credit amount in local currency and 80 % of the custom duties and usually have to wait a number of months before receiving and processing the goods and sell the final product (the average delay between the opening of the import license and the delivery of goods is between three and five months) . The lock-up of capital cost and the uncertainty of the availability of foreign exchange at the banks are critical constraints, especially since a number of banks strongly suggest to the small and medium businesses that they maintain funds in their non-interest earning current accounts if they want to have access to foreign exchange when it becomes available.

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4.1.2. Disruption, cost and unavailability of supply of local inputs for transformation (milk, cotton & oil, thread for textile, etc...) forces, unwillingly, a number of companies to increasingly rely on imports to keep on operating.

4.2. Availability of raw materials

Almost all companies surveyed suffer from a shortage of raw materials and a large proportion operate their equipment at a very low utilization level.

Lack of working capital and foreign exchange, and for some companies, difficulties to find on the local market a regular and large enough supply of locally produced goods, are the major constraints.

A number of industries were equipped years ago, when these problems did not exist, or were not as acute, with machinery and equipment which is now, and in spite of its present condition, too largely dimensioned for the flow of supply it receives.

This under-utilization of the existing equipment has a very negative impact on a number of companies' profitability.

4.2.1. Under-utilization of the existing industrial equipment is the result of a number of factors among which the shortage, scarcity and unreliability of supply of raw material seems to be the most harmful. Small and medium industries experience great difficulties in self-financing (usually the only avenue open to them) a regular and important enough supply of raw materials to operate their equipment at full capacity. In addition, the shortage or unavailability of foreign exchange at the banks can often delay for long period of time the opening of confirmed Letters of Credit, even where the company has the necessary Zaire funds to cover the Letter of Credit and import duties provisions.

4.2.2. Entrepreneurs, who usually are prevented from temporarily laying-off their workers for production reasons ("chômage technique"), tend to operate at a reduced capacity when they expect supply shortages instead of closing the plant and reducing the overhead and fixed costs.

4.2.3. Obviously, the under-utilization of the manufacturing equipment has a negative impact on profitability because it makes the break-even point higher. A number

of companies have tried to reduce their overheads and fixed costs, but this is possible to a limited extent only. It is likely that, if one included the provision for depreciation calculated on a replacement cost basis as an element of cost in the operating statement, a number of companies would be in a loss-making situation

4.2.4. As a co quence, the small and medium industrial base has probably suffered from de-capitalization over the past years.

5. GEOGRAPHICAL LOCATION

Industrial companies located in South-Shaba are facing additional difficulties compared to those of Kinshasa for two main reasons.

First, the Shaba market is less important and more "closed":

- less important because of demographic factors: 600,000 inhabitants in Lubumbashi, more than 3,000,000 in Kinshasa, and because of the transport difficulties outside the main urban centers.

- less "open" because of the existence of a company such as GECAMINES which, with its 36,000 employees providing for the wants of more than 230,000 people, occupies an almost monopsonic situation on the intermediate and certain consumer goods markets.

Secondly, industrial companies in Shaba are farther from the traditionnal sources of supply than companies in Kinshasa. To the delivery delay of the imported goods up to Matadi, one must add roughly three months between Matadi and Shaba. This factor explains the existence of important trade relations with the Republic of South Africa from which a great variety of goods can be delivered in Shaba in less than two months. Disruption of the trade relations with this country would have catastrophic results for the local industry in Shaba.

Important differences in the problems and prospects of the enterprises surveyed have been found to exist between Kinshasa and South-Shaba. The survey conducted among the private industrial entrepreneurs of these two regions ended up presenting, for both regions, a difficult economic situation which, however, was seen quite differently by the people concerned. Generally speaking, its perception by the Shabian entrepreneurs was far more morose and they

appeared to be far more disheartened than their counterparts in the Kinshasa region.

The causes, real or psychological, for such differences can tentatively be explained as follows in the absence of a specific study on the subject.

5.1. The sheer size and wealth of the Kinshasa market, over a small area, is obviously much larger than in South-Shaba, which probably allows more companies, in a greater number of industrial sectors, to reach the "critical mass" required to operate, or to remain above the break-even point, even in the present depressed economic situation.

5.2. The greater diversification of the industrial activities in the capital city, combined with the fact that a close-knit community of entrepreneurs, like the one in South-Shaba, tends to carry the same view on economic matters, lessened the chance that, in Kinshasa, a relatively small sample of interviews would have hit on industrial sectors in difficulty only and bias the overall findings. The wider range of companies surveyed in Kinshasa allowed us to identify a number of companies which are doing quite well in selected industrial sub-sectors, while no company existed in these sectors in Shaba. The overall picture is consequently more balanced in Kinshasa although, in general, the same sectors are troubled in both Shaba and in Kinshasa.

5.3. The visibility of small and medium industrial companies in Shaba is undoubtedly greater, possibly making for greater administrative harassment. This aspect was certainly mentioned more often as a constraint by entrepreneurs in Shaba than in Kinshasa.

5.4. The access to local or imported supply of raw material is probably easier, faster, more diversified in origin and consequentely less costly in Kinshasa, through better air connection, the river and the deep-sea port of Matadi, than in Shaba. Although the railway link with the Republic of South Africa, the main supplier of the industries of Shaba, is functioning quite well, the goods have to cross three border points, occasioning multiple causes for delays, before reaching Lubumbashi.

5.5. To serve the same number of potential customers, enterprises in Shaba have to market their goods across far larger distances on a road or railway network which is reputedly in such a bad condition that few think it feasible or worth attempting. The break-even point is

probably higher, or for a similar level of necessary sales, more difficult to reach, for industries in Shaba than for industries in Kinshasa since it appears that costs in Shaba are not significantly lower than in Kinshasa. Indeed, for the supply of raw materials and spare parts. they might be higher.

5.6. In a number of production activities, the small and medium companies in South-Shaba face the competition of big parastatals which have their own workshops and do not pursue a systematic sub-contracting policy.

5.7. In some cases, the local producer faces the competition of products directly imported by the parastatals which, for a number of reasons, do not actively pursue a local purchase policy.

5.8. Although difficult to estimate its reality or impact, a far larger number of Shabian entrepreneurs mentioned the illegal import of goods as a major constraint to their marketing efforts than in Kinshasa. It is true that it is probably easier to transport a wider range of goods across the long border with Zambia than from Congo for instance.

5.9. Access to official, or less so, foreign exchange resources for import of raw materials is probably easier in Kinshasa which allows entrepreneurs to keep on operating their business, although, in some cases, at a high cost.

5.10. Price sensitivity of consumers, or at least of a large number of them, is probably lower in Kinshasa than in Shaba where the situation is more monopsonic.

5.11. A number of companies in Shaba have been over-reliant on the big parastatals market and appear to have developed little marketing effort towards other potential clients.

5.12. Since, in most banks, the decision process on credit and loan is centralized in Kinshasa, the source of financing is probably more limited for industries in Shaba than for those of Kinshasa. The delays of the decision process are long, and clients in the capital city might be served first when funds for credit become available.

5.13. The quality and the ease of communications with the suppliers represent an advantage for entrepreneurs in Kinshasa which is difficult to measure but is real.

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5.14. This last advantage probably exists also for contacts with potential local or foreign investors.

5.15. Finally it is widely believed, although to our knowledge it has never been scientifically researched, and even less proved, that people in Kinshasa are far more entrepreneurially-minded than in South-Shaba where it is said that the big parastatals create a kind of "welfare-state" environment for a large segment of the population.

6. SIZE OF THE ENTERPRISE

6.1. Definition of the "small and medium" enterprise

To adequately formulate the characteristics and problems which are related to the size, independently of other factors such as the sector in which they operate, the sources of supply or the geographical location, of the small and medium enterprises in Zaire, one should in theory have at one's disposal a criteria which could be used to judge the "size" of a company, and to identify precisely those companies which fall in the researched category.

A number of such criteria have been proposed: number of employees, revenue, value of the fixed assets, organization of the ownership and management, etc...

The Zairian Investment Code, for instance, defines a small and medium enterprise as an enterprise where the owner takes charge, by himself, of the main administrative and financial activities. The UNDP defines the small and medium enterprise in developping countries as a company which employs between 10 and 100 permanent employees and SOFIDE refers to the employment criteria of between 5 and 100 persons and to other criteria such as the revenue and the net fixed assets.

The research conducted among more than 130 enterprises in Kinshasa and in South-Shaba demonstrates that the use of these definition, although it constitutes a good basis for a preliminary selection, has to be completed by on-site visits and field survey.

- the definition used in the Investment Code is, in fact, more applicable to cottage-industries than to small and medium industries. As soon as a company evolves from purely handicraft, an organizational structure emerges, at least in embryonic form, in the first stages of its development.

- the number of permanent employees criteria must be mitigated by notions about the sector of activity in which the company

operates and the technological level of its production process.

- the financial criteria would probably be the most reliable if they could be used. Unfortunately, they are usually not known when the sample is being identified and the financial data collected at the issue of the field study often remain questionable, either because the real figures are not provided or, when they are, because they are usually economically meaningless even if on a strict accounting point of vue they prove to be correct.

6.2. Management

The people who start their own businesses are "entrepreneurs" in the noble sense of the word, i.e. individuals for which action follows, and sometimes precedes, thought.

This attitude is a powerful stimulus for the maintenance and development of any economic activity but, to succeed in the long-term, it must be completed by an aptitude to manage.

"Nascuntur poetae, fiunt oratores"
(one is born a poet, one becomes a speaker)

A number of studies conducted in different environments prove that if people are gifted with an entrepreneurial spirit than cannot really be taught, on the contrary, they have to learn to become managers if their company is to grow and endure successfully over a certain size.

The research demonstrates that size is definitely correlated with the financial management knowledge or aptitude of the owner in the sample surveyed.

In a number of cases in the smallest companies, the owner-manager had little, if any, knowledge of the necessary accounting or financial techniques although he usually had a good grasp of the technical and commercial aspects of his operation. He usually cared for little in the finance sector but for the monthly cash-flow of his company and, even that, in the most informal and empirical way. If he used the services of an accountant, it was generally to prepare the legally required yearly financial statements only.

As size increased, we found companies with good accounting and financial management practices and, in some cases, even cost accounting systems.

6.2.1. The survey has shown that enterprises below the (somewhat arbitrary but consistent) 30-employees level have a management more craftsman-like than business-like. The internal organization is informal, the owner-manager usually personally participates in the production process, the fixed assets are very limited and consist mainly in the building which house the factory and often the owner's family, the type of machinery is technologically simple and could be characterized as powered hand-tools rather than industrial equipment and the book-keeping, if any, is limited to some cash-in/ cash-out books which are generally prepared and kept by the owner. These enterprises seldom use the banking services at all, except for opening the import licences and for checking facilities since (a minority of) their clients pays by check. Usually the company maintains a strictly limited amount of its funds in the checking account and most transactions are conducted on a cash basis.

6.2.2. On the contrary, we have found that companies at or above the 30-employees level operate like real industrial enterprises and possess, even in embryonic form, most of the management characteristics of the larger firms. The internal organization is structured, the manager, who in some cases is an employee, devotes most of his time to administration and to "marketing" and, when he is involved in the production process, it is clearly at the supervision level. The equipment is usually expensive and cannot be classified only as powered hand-tools, the production process is already somewhat complex and usually involves quite a few steps to prepare the finished products, the production operations take place in industrial premises and there are offices for the administration. The company maintains a complete accounting record and sometimes other management systems (cost-accounting, inventory management, budgeting, etc..) which are prepared by clerks. The company uses some banking services over and above the import licence and checking facility, such as overdraft and open credit, sometimes short-term loans and documentary credit, more rarely still medium-term credit.

6.2.3. In the smallest companies surveyed, the "industrial" activity is usually not the only one conducted by the owner-manager. In a number of cases, he has other interests among which trading is the most frequent. Conversely, the larger companies have usually one activity only.

6.2.4. The research also showed that a number of the small companies were started by individuals who made some money in trading or transport and decided to produce one or some of the goods they thought potentially interesting. Not infrequentely, no technical, financial or marketing study prepared the move and the investor had no technical training in production. As a consequence, we have found a number of companies just surviving, or not operating any more.

6.3. Financing

Access to external financing also proved to be correlated to the size of the companies surveyed.

One important reason why the smallest companies have a difficult access, if access at all, to external short, medium or long term financing resides not so much in the lack of real security that the entrepreneurs could pledge against a loan, as in the lack of confidence their management knowledge and style inspire the bankers. To grant a loan request, commercial banks will always look for and require:

- that the small and medium enterprise makes use of some form of management control system, even if it is rudimentary.

- that the request for financing be supported by a document which contains the justification of the loan and proofs of the enterprise's ability to repay it.

6.3.1. The reliability of the financial data provided during the course of the research is, in a number of cases, highly questionable for two main reasons. In the smallest companies, the level of training in even the most basic notions of accounting has been found extremely limited and, in some cases, absent. In addition, when this was not the case, the disclosure of real financial figures to outsiders is usually not in the habit of entrepreneurs anywhere in the world, and this country makes no exception.

6.3.2. A number of small entrepreneurs do not keep any kind of accounting books, except a cash-book, and financial management appeared to be extremely limited. Most of these small firms are managed on a cash-in/cash-out basis, somewhat like a small retail shop would be. Although all registered companies are required by law to maintain a proper set of accounts for fiscal reasons, those who do not usually rely on their ability

to find "arrangements" with the representatives of the tax authorities to overcome their absence.

6.3.3. In the larger firms, accounting books are regularly prepared but it is difficult to vouch for the reliability and completeness of their content. It is a well-known fact that a number of businesses, in all sectors and of all sizes, are sometimes managed with two sets of accounts and that tax evasion, although not restricted to Zaire, is probably conducted in a large scale in this country.

6.3.4. In addition to this, a purely technical factor limits the meaning and usefulness of the financial statements, and especially the Balance Sheet, and this might impact on the possibility of a number of firms to get bank loans. Since no company surveyed proceeded to an asset revaluation, based on the technical value of the equipment, or the market value of the buildings for instance, they show a depreciated book value for their fixed assets which is usually very small and their Balance Sheet statements is totally "unbalanced", leaving them with little or no opportunity to increase the liabilities'side of their Balance Sheet through short or long-term loans.

6.3.5. In spite of these limiting factors, the attractiveness of a possible assistance project, and the fact that the research was mandated by a respected foreign agency and not conducted with the participation of government representatives, prompted a number of entrepreneurs to open their books and provide as much financial information as they deemed safe under the circumstances. In addition, the structure and content of the questionaire used, and their experience in financial management, allowed the researchers to verify, to some extent the quality and the reliability of the financial data. Consequentely, when the information collected was deemed reasonably accurate, company profiles were prepared to illustrate the present analysis of the sector.

Another difficulty comes from the fact that, if the amount of external financing appears large to the entrepreneur, it is usually very small for the banker. The consequences are:

- that the financial intermediaries are reluctant to disperse their funds in a number of small loans which require, individually, the same amount of time, and very often a greater deal of it, to study and to control than larger

loans and consequentely increase the banks'administrative costs.

that the entrepreneur himself often proves reluctant to engage the company in important operations whose issue is doubtful and which, due to the monetary depreciation, appear risky and costly. The interest rates, the administrative costs added by the bank and the cost of the risk of change coverage are considered by most entrepreneurs as excessive when the financing is in local or in foreign currency. In addition, entrepreneurs, which usually operate in a very unstable and insecure market environment and consequentely have irregular revenues over the time, are extremely reluctant to commit themselves to a fixed repayment schedule.

6.3.6. Borrowing for any purpose is not viewed as a feasible solution in the present depressed economic situation. Entrepreneurs have to assume the full risk associated with an insecure market environment where purchase orders and client payments are highly irregular and almost impossible to program, while their treasury position seldom allows them to bear the high interest and administrative cost of the loan (almost 42 %).

6.3.7. Commercial banks only exceptionally offer short-term funds for inventory financing because of the risk involved and their limited funds available for lending.

6.3.8. There is a deep and general resentment towards the role and attitude of the banking sector which in all entrepreneurs' opinion do not share the risk of doing private constructive business in Zaire. Entrepreneurs consider that the full cost of the banks'huge overhead is fully charged to their customers with little or no efficiency effort, that the banks are too geared towards the needs of the Government and the parastatals to demonstrate real interest in the private industries, that bankers are overprotecting themselves (import licence coverage for instance) and that the services provided are minimal : no factoring although clients of industrial companies, such as parastatals, often are customers of the banks and the risk of default is minimal, no inventory lodged as security, or no investment banking for instance.

With respect to long-term financing, the commercial banks policy is to use their available funds, which are coming mostly from short-term or even sight deposits, to finance short-term commercial operations rather than long-term investments. Zaire does not have

any private investment bank and this deficiency is only partially overcome by SOFIDE. The small and medium enterprises are suffering more than the large private companies or parastatals from this situation since the latter have an easier access to international money markets and sources of funds.

6.3.9. Few new investments of any magnitude appear to have been made in the small and medium sized industries over the past three years (period considered in the interview questionaire), although most entrepreneurs have a number of projects they would like to realize, either in the field of modernization or rehabilitation of existing equipment and production process, or in the development of new products.

6.3.10. Under-utilization of existing equipment is no incentive to modernize, even if most entrepreneurs realize that, should they find the necessary financing to do so, such a move would reduce their costs and lower their break-even point (after provision for depreciation).

6.3.11. Difficulty, if not outright impossibility, to obtain or afford the cost of long or even medium-term credit for investment financing constitutes a major constraint for most industries.

6.3.12. Although SOFIDE has been found to play a role in fixed assets financing for small and medium sized industries, its impact falls short of the needs. In addition, SOFIDE financing has, in the past, created serious problems to beneficiaries since the risk of change is fully borne by the borrower. There are talks that the Government will set up an exchange risk guarantee scheme whereby the borrower would only be exposed to fifty per cent of the risk but this scheme is only in its inception phase.

6.3.13. Even if the commercial banks were genuinely interested in providing medium and long term financing to small and medium industries, it is doubtful that, under the present circumstances and characteristics of the capital market in Zaire, they could. Their credit ceiling is severely limited under the Bank of Zaire regulations and the deposits they get from savers is mostly short-term, or even demand deposits, which restricts them to lend long or medium for fear of unbalancing their financial position.

6.3.14. In addition to this real technical constraint, it is certain that, in a situation where the demand for credit and funds is so much greater than the offer, banks are inclined to select the biggest clients first

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when they allocate their credits. Small and medium businesses loans are more expensive to evaluate and administer than bigger loans to large companies, and the risk of default is believed to be much greater. Commercial banks, in this country, have a tradition of serving the agricultural market (mostly plantations), the import-export, brokerage and trade activities and the large private industrial companies almost exclusively and the range of services performed on behalf of their clients is very limited and un-imaginative and reflect this attitude. The lack of importance that the small and medium industry represent for the banks is demonstrated by the fact that no precise statistics of loans to this sector is available.

6.4. Technical aspects

For the small as well as for the large industrial companies, one can distinguish between three major types of production techniques:

- mass production on a continuous basis. A specialized equipment, permanently located in specially designed premises, manufactures finished goods from a continuous flow of raw materials. In this category would fall flour milling, the production of plastic goods, of paint, of plywood, etc...

- discontinuous production in a workshop. Here, the equipment is generally not overly specialized (machine-tools) and can be adapted to produce a number of different items. In this category would fall metal working, the production of furniture, printing, etc...

- discontinuous production on-site. This would be the case of the building contractors, the interior decorators, etc...

Each of these different production techniques creates, for small and medium enterprises, problems such as training of the work-force, equipment maintenance, or modernization of the existing machinery, which are related to the size of the company.

6.4.1. Training

Training is usually relatively simple in the companies operating along mass production techniques with a specialized equipment, more complex in others. In these last cases, most small and medium companies rely upon on-the-job training performed by the old workers, foremen, or the manager himself.

In addition, most entrepreneurs distrust not only the type of academic and/or general technical training which characterizes the existing outside training institutions, but also their internal administrative efficiency.

6.4.1.1. The results of the research conducted amongst the 130 odd companies of between 10 and 120 employees show that entrepreneurs do not consider training as a crucial need, and training assistance as particularly appealing. In the present circumstances, other types of assistance are judged to have a far higher priority.

6.4.1.2. Small and medium enterprises seldom, if ever, use the services of the existing training organizations. Cost is not a limiting factor but confidence in their ability to provide the type of technical and managerial training they would consider. They usually have a poor opinion of the quality of the courses offered, and of the personnel employed or the management of these (mostly) public organizations.

6.4.1.3. When training needs was mentioned at all in the course of the interviews with the entrepreneurs, it usually concerned on-the-job technical training for workers. However, most of the respondents considered that the kind of training they considerd most useful could not be provided by the existing outside organizations. They reasonsed that, if the professional schools could not produce, in a number of years, better technicians and skilled-workers than those they were recruiting on the labor market, the chance that the existing training organizations would do a better job in a few weeks or months was pretty dim, especially since they consider that the management and resources (academic and administrative) are basically similar. In addition, they considered that what they need is workers who know how to use efficiently the specific equipment which they own and use in their plants rather than workers trained in the general aspects of a trade. Obviously, this type of training would require highly supervised tailor-made practical courses which would vary from company to company and a great deal of resources in terms of a variety of equipment and machinery that no institution could probably afford.

6.4.1.4. Since most entrepreneurs mentioned the "increasingly very poor quality" of the youngsters trained by the school system and looking for employment as clerks or workers as a real problem, they declared that they have to spend more and more time and resources to assume themselves, through in-house training accomplished by

their old workers, foremen and even managers, what they consider to be the education sytem's responsibility.

6.4.1.5. Although this has seldom been mentioned by the entrepreneurs themselves, the results of the research clearly demonstrate that there is a real, if not always conscious, need for management, and especially financial, training. The most helpful type of training, however, would have to be very practical and directly applicable by the entrepreneurs in the day-to-day management of their company. The managers of small and medium size companies probably need, and are certainly more interested in, management tools than in general management concepts and principles. This point was illustrated by the comments of a number of entrepreneurs who, in the past, attended some courses supposedly adapted to the needs of small and medium companies'managers. In an overwhelming number of cases, they declared that these courses, although sometimes intellectually interesting, proved later to be of no practical value to solve the problems they have to address in the running of the various aspects of their businesses.

6.4.2. Equipment

Maintenance of the equipment can create problems to the small company if the machinery it uses is technologically complex or sophisticated. To overcome this problem, the small and medium industries usually prefer to use simple and technically proven equipment which, in a number of cases, they purchase second-hand.

The choice of a new equipment has to be related, in continuous mass production, to the size of the small enterprise and the market it serves, or hope to reach, since the small enterprise has little (financial) margin for error. As a consequence, most entrepreneurs favor the purchase of small second-hand units over the latest technology. Companies investing in this type of equipment, however, cannot take advantage of the provisions of the Investment Code.

The field research demonstrates also that, the smaller the company, the more overused and the more badly in need of replacement its existing equipment was. A number of small industries are operating with machinery and vehicles which, in the first place, were purchased second-hand, have not since been properly maintained because the company prefered, or did not have any other choice but, to use its resources to purchase raw materials to keep on operating and were often used far in excess of their technical specifications. In addition, this equipment has usually been fully depreciated long ago while no provision for depreciation were made and, now, the

entrepreneur does not have the resources to replace it and keep on using a badly dilapidated production tool.

6.4.2.1. Apart from a few cases, the under-utilization of the existing industrial equipment of the small and medium enterprises is general and serious. In our sample, more than 90 % of the companies operated at below 60 % (effective) capacity, while the median was around 35 %. The situation might even be worse if one considers that there is already an important gap between the theoretical capacity of the equipment and its effective capacity, which takes into account the present condition of the equipment. Apart from reasons linked to the shrinkage of their market which did not appear to be the most important, it appears that the industries'situation has deteriorated for a number of reasons among which, by order of importance:

- the shortage of foreign exchange made available to small and medium industries does not allow them to purchase the necessary amount of raw materials needed to operate at full capacity.

- what little cash, or foreign exchange, the company can get, it generally uses to purchase raw materials instead of spare parts for the manufacturing equipment and rely, for maintaining the level of production, on tinkering rather than on the normal maintenance procedure.

- the companies usually have not provisioned for depreciation (accounting-wise or economic-wise) for a number of years, either because their equipment is old and fully depreciated and no revaluation of assets has taken place, or because they want to keep their operating costs at a minimum in a highly competitive market, or again because their treasury position is so tight that they cannot afford not to plough-back into the day-to-day operation of the business all the cash they should have laid aside as provision for depreciation.

- very little medium or long term and affordable financing for rehabilitation or replacement of aged machinery is made available to the companies which, as a consequence, keep on operating with an old and badly in need of repair equipment which often breaks down, thus lowering the utilization level.

6.5. Marketing and sales

In this domain, the size of the company is not always a handicap. On the contrary, it is often considered an asset, since it allows the entrepreneur to react very quickly to market demands and to serve a specialized market niche which is not interesting for the larger companies. In addition, he can make the decisions required by a change in the operating conditions and the environment of the company much faster than would be possible in a big, more bureaucratic, enterprise.

This commercial flexibility is probably one of the major factor explaining the very survival of the small and medium enterprises sector.

It is interesting to notice that, in a number of occasions, the small industry has been created with the capital earned in trading by the present owner-manager. This factor seems to be particularly frequent in small industries owned and managed by zairian nationals.

A few commercial problems are nevertheless related to the size of the small enterprises.

For obvious reasons, small enterprises experience more difficulties than larger ones for their supply of imported raw materials. To the general constraints mentioned in section five above, small and medium businesses experience an additional constraint since, in the situation where banks experience a shortage of foreign currency, it is likely that the large companies are served first.

Almost all companies visited requested working capital and better access to foreign exchange to allow them to rebuild their inventories of raw materials and operate their equipment at a more reasonable utilization level.

With regards to sale, in addition to the general problems mentioned in section four above, we already mentioned the specific problem of the small enterprises in South-Shaba for which GECAMINES is, by far, the major client. In these conditions, GECAMINES can dictate its conditions in terms of price, delay or credit and the small company has but to comply if it wants to survive in front of such a giant.

6.6. Miscellaneous findings

Other observations can be derived from the research.

A relatively large number of small entrepreneurs, especially zairian nationals, attend to numerous businesses such as construction, transport or trading in addition to their manufacturing activity. In a number of cases, it has proved difficult to assess the share of each of the different activities in the total revenue, or in the schedule, of the entrepreneur. This diversification is not unhealthy per se, especially if some activities are seasonal, but we found that it sometimes led to dispersion of efforts and to acute management problems in all the sectors.

Other small and medium industries, on the contrary, have one activity only but they belong to a large business group which, itself, operate various industrial facilities. In most cases, each industrial company has its own management autonomy. This organization has usually been found to be efficient.

Still other small and medium enterprises are subsidiaries of foreign companies. In this case, these enterprises have been found to be almost entirely subjected to the interest, or lack of it, of the parent company's management in the zairian market, especially with respect to new investments. In general, the present economic situation has proven to be a disincentive to foreign interests in their local subsidiaries.

7. CHARACTERISTICS AND PROJECTS OF A SAMPLE OF COMPANIES

In this section we briefly present the characteristics, problems and projects of some companies visited in Kinshasa and South-Shaba. These are classified according to their major sector of activity and intend to provide the reader with an illustration of the marked feature of the small and medium industrial businesses in the regions covered by the study.

In addition to this brief introduction to the various industrial sectors reviewed, standardized individual company profiles have been prepared to describe in more detail the organizational, operational and financial characteristics of the small and medium industrial companies researched, from which the information collected proved satisfactory in terms of detail and reliability. These company profiles are documented in Appendix 4.

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7.1. Food sector

7.1.1. "Distribution Kinoise" (Kinshasa)

This enterprise is a small bakery which employs xx permanent employees. Its characteristics are such that it cannot reasonably be considered as a small and medium enterprise but rather as an "Artisanat" or cottage-industry.

The oven is out of order and needs to be replaced.

The bakery sector in Kinshasa has lately experienced a wide expansion but it is dominated by a few large and powerful industrial companies such as UPAK or QUO VADIS which corner the market in practicing very low prices and having very efficient distribution organizations. They presently leave little room for the small enterprises in such products as bread.

The best chance for survival of these numerous small bakeries is in producing and selling specialized products such as low-cost pastries and cookies in their immediate neighbourhoods. However, their chances of growth to the small and medium enterprise level appear very poor.

Even so, the investment required to maintain this small craftsman in operation is limited and therefore recommended. (see company profile).

7.1.2. "Laiterie Coopérative de Lubumbashi" (Shaba)

This dairy, which happened to be the only industrial cooperative in the sample, processes the fresh milk produced by the remaining five milk farms still operating around Lubumbashi.

As a consequence of the important decrease in local milk production since 1973, the plant, although badly in need of rehabilitation, still operate far below its remaining production capacity.

Maintaining in operation the dairy and the farms present an obvious social interest but it would require some financial assistance in several sectors:

- purchase of cows and implementation of a share-cropping system to help small zairian farmers around Lubumbashi produce milk,
- repair of existing and purchase of new vehicles for fresh milk collection and distribution of sterilized bottled milk,
- installation of cold-storage facilities,
- purchase of a sufficient inventory of non-disposable bottles,

- study and possible implementation of a cattle-food manufacturing facility, of a powdered-milk production equipment and of a disposable milk containers facility,
- technical and management training of the personnel.

This cooperative is presently receiving a US $ 700,000 financing from the Federal Republic of Germany's cooperation to repair and modernize its milk sterilization and bottling equipment. This program, however, might not produce the desired results if the above-mentioned needs, and primarily the problem of supply, are not addressed soon.

The required investment is in the order of 15 million zaires or US $ 125,000.

7.1.3. "Huilza" (Shaba)

This company was created in 1939 to produce oil from the cotton then grown in the Shaba region.

As a result of the decline in local production, the plant now operates at 15 percent installed capacity.

The company's owners have developed and studied an ambitious project of soya oil production. This project requires the installation of a new plant and the creation of a 2,000 hectares farm to produce the necessary soya seeds. At this time, however, they are looking for long-term financial assistance to supplement their own investment.

This project is interesting since it would supply the regional needs with a locally-produced dietary-sound aliment and replace the present imports from Zambia paid for in foreign currency.

The magnitude of the project, US $ 9,000,000, which has so far attracted the interest of the French "Caisse Centrale de Coopération Economique" only, will most likely require other foreign financing in addition to additional sources of equity.

7.1.4. "Frigo-Moero" (Shaba)

This small company supplies the population of Lubumbashi with local fish from the "Moero" lake.

The fishes are caught by independant fishermen and the company's own employees and preserved in ice blocks. The shipment takes place by boat until Kasenga (180 kilometers) and then by road till Lubumbashi (an additional 180 kilometers).

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The importance of fish in the local population's protein diet confers an obvious social interest to this activity.

The company needs financing to rehabilitate its fishing and transportation equipment (truck, boat engine, nets). The amount required is in the order of US $ 100,000 to 150,000.

7.1.5. "Leza" (Kinshasa)

This company owns an industrial yeast production plant built in 1980 with Austrian financing which has now been closed since 1985 for a number, but mainly managerial and financial, reasons.

This modern equipment is in very good condition and could be started again relatively cheaply. The inventory of raw material would have to be rebuilt.

This plant is designed to manufacture yeast from molasses, a locally produced raw material which represents 80 percent of the necessary inputs.

At present, Zaire imports all of the yeast it consumes.

The real solution to enable this company to operate again efficiently lies less in the need for long-term financial assistance from the banking sector or a donor agency than in the need for a majority takeover by a technically and managerially competent shareholder or parent company.

7.2. Hygiene, cosmetics and drugs sector

Overall, this sector does seem to be relatively prosperous, particularly with respect to drug manufacturing companies. It is worth noticing, however, that no quality control is exercized on the products manufactured or packaged by the numerous small and medium local companies operating in this sector.

7.2.1. "Elas" (Kinshasa)

"Elas" is a cottage industry type of company whose owner is involved in both small scale manufacturing and in commerce. These latter activities represent the majority of his preoccupations.

The company used to operate a small soap-making equipment which, due to its age, has now ceased to function. It now bottles and packages drugs produced from unidentified components which are sold in the local chemist-shops.

The owner declared during the research that he projects to purchase and operates a new soap-making plant but it appeared that

the investment required, US $ 900 000, is out of proportion with both the size of the company and its resources.

7.3. Textile and garment sector

The very survival of the existing textile and garment industry in this country is endangered by the need to import, expensively, the cotton fibers which used to be locally produced and by the competition from second-hand clothes and fabrics which are imported in the absence of efficient control, against dumping for instance, and often illegaly. Both the large and small companies are affected by the situation.

7.3.1. "F.F.R. - Zaire" (Kinshasa)

This enterprise produces sewing-yarn from imported raw thread.

These local products face the direct competition of similar products which are imported by traders, mostly from Europe, and which often enter the country without paying the custom taxes. Raw thread imported by the established industrial enterprises which have far less opportunity for similar practices, is taxed at 35 percent.

Modernization of the existing old and technically obsolete equipment could allow the company to reduce its manufacturing costs and compete with the imported thread, provided the custom duties on the raw material were reduced.

The cost of the purchase of the necessary modern equipment is estimated at roughly US $ 100,000. The company is a subsidiary of a foreign group, COATS, which might provide a good part of the financing required if the investment climate were perceived as improving and insurance that the above-mentioned supply constraint be lifted were given.

7.3.2. "Atenaco - Levytex" (Kinshasa)

The plant of this garment manufacturing company, which employed more than 300 people in 1974 and then 190 in 1982, is now closed. The main reason mentioned by the manager being the inability to produce at a cost which would make the local goods competitive compared to the imported second-hand clothing dumped, sometimes at their marginal cost of mass production, on the Zairian market.

The company still employs 12 persons to maintain the condition of its building and equipment.

The company's owner intends to change its main activity in purchasing and installing in the existing premises a new

technologically advanced machine to produce multi-colored fabric of various patterns.

The project amounts to US $ 250,000. The owner is prepared to finance at fifty percent the necessary investment and is presently looking for external long-term financing for the remaining. This new activity would employ 40 workers.

7.4. Leather goods sector

7.4.1. "Société des Industries Réunies" (Shaba)
"Etablissements Wa Kubikuyu" (Shaba)
"Sava" (Shaba)

These three small enterprises located in Lubumbashi manufacture repectively: leather work shoes, orhtopedic and normal leather and crocodile skin shoes, and imitation-leather school bags.

Although the availability of raw hides is not a problem in the region of Shaba, all three nevertheless face supply problems for their necessary cured leather. The first company imports it from Colombia, the second purchases the skins locally from Shabian peddlars and merchants and sends them to the only professional tannery of Shaba which is located in Moba, on the shores of the Tanganika lake, to be cured and prepared and this greatly adds to its cost because of the delays and transportation problems, the third works at only 15 percent capacity for lack of real leather for its production.

The first company's entrepreneur has realized the preliminary studies to create a small tannery in Lubumbashi. This project is considered with great interest by the two other entrepreneurs. The required investment amounts to only US $ 200,000, but the companies concerned are too small to be able to raise enough funds to self-finance it.

The only solution appears to be the creation of a production cooperative with the three companies pooling their limited resources and obtaining some outside financial assistance for the complement.

7.4.2. "Kedar" (Kinshasa)

The owner of this small shoe-making cottage industry is looking for some financial assistance to purchase a series of new machines and increase his production in terms of quantity and quality since he presently cannot meet the demand of his regular customers.

The required amount is modest, approximately 1 million zaires, but the company has so far been unable to raise it either

through parents or the local Savings and Loans Cooperative or the commercial banks.

The outlook for growth appears promising given the market potential and the quality of the management, but the financial stumbling block remains in spite of the enterprise's efforts to lift it.

7.4.3. "Corthoza" (Kinshasa)

This small enterprise is at the craftsmanship level and manufactures orthopedic shoes for a variety of public and private clinics in the capital.

The two machines used are now almost out-of-order due to their age and the entrepreneur is desperately looking for the zaires equivalent of US $ 10,000 in external financing to replace them and keep producing for an increasing market demand.

7.5. Household requisites sector

The three companies visited in this sector all produces low-cost aluminium pots and pans and cooking ustensils for which the market is open. The major problem all face is the cost of their imported raw material which, at present, comes from Europe or Brazil. Cameroon also produces aluminium, and imports from this neighbouring country would reduce the delivery delay from 3 months to 3 weeks, and thus the cost of capital lock-up. Unfortunately, purchases of the raw material from Cameroon is not possible because this country does not buy from Zaire and consequentely there does not exist a clearing house for foreign exchange between the two countries.

7.5.1. "Metalu" (Kinshasa)

This industrial company projects to purchase a stamping press to accelerate the manufacture of its products which are presently lathered.

Since the investment is important, US $ 50,000 at least, a profitability study would have to be realized before any kind of financing can be requested.

7.5.2. "Sotral" (Shaba)

This company which was created in 1955 intends to widen considerably the range of products it manufactures in adding a whole new range of high-quality copper cooking ustensils to its traditional aluminium one.

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Once the remaining technical problem of tinning are solved, and provided the company can find the financing required to purchase the equipment necessary to maintain a constant high quality of production, the export prospects look bright since copper is plentiful and cheap in Shaba and products like these can be sold at a good price in the developed countries.

The necessary investment amounts to only US $ 40,000 but the company, so far, has been unable to raise it.

7.6. Household furniture sector

7.6.1. "M.C. Design" (Kinshasa)

This small but well managed and dynamic enterprise specializes in the production of furniture and in interior decoration.

The company works with an equipment which was purchased second-hand in 1980 and which is now reaching the end of its life. It has purchased new machines which were financed through a SOFIDE loan, and has self-financed the acquisition of a plot of land and the first steps of the construction of an industrial building to house them, and the administrative offices.

For the time being, the financial resources of this company have dried up and it is looking for the equivalent of US $ 300,000 in additional funds to complete the installation and purchase the first inventory of raw materials.

If the company cannot find the external financing required at a reasonable cost, all the efforts it has so far made will have been in vain.

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7.6.2. "Diawa" (Kinshasa)
"Ngoie Mutele" (Shaba)

Those small wood-working and carpentry shops operate an old equipment they cannot replace since they are unable to either self-finance or get external credit for the approximately US $ 100,000 which would be required to purchase new production tools.

7.7. Metal products sector

7.7.1. "Amekin" (Kinshasa)

This machine-tools workshop manufactures a whole array of metal products and spare sparts for a variety of clients.

The company plans to replace some old machines and to invest in a small foundry with a capacity of approximately 10 tons per day.

The total investment required is in the US $ 50,000 to 80,000 range for which the entrepreneur is presently looking for an external long-term loan.

7.7.2. "Mazam'L" (Kinshasa)

This company is a very dynamic metal carpentry which manufactures window frames, metallic doors, gates, etc...

The raw material used is mainly constituted by metallic profiles which are cut, welded and assembled almost right in the street. The owner, because of his religious beliefs, employs a number of troubled workers he tries to reinsert into society.

The company needs to purchase new metal working equipment for a value of US $ 200,000 but its internal resources are strictly limited and no banking credit has ever been granted.

7.7.3. "Construction Métalliques du Shaba" (Shaba)

This very well-managed company has been founded and operated by an expatriate family whose third generation is now living in Zaire.

The company mass manufacture a number of low-cost farming implements such as cassava and corn hand-mills, shovels, pick-axes and wheelbarrows and also produce, upon request a great variety of metal products and parts. It even designed, built and assembled metallic road bridges.

Most of the machine-tools used have been built or refurbished by the company itself and their diversity allows the

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company to manufacture a wide range of simple or complex products to meet its clients' diverse specifications. Their condition is excellent.

The major problem facing the company is in the supply of raw materials which, for the most part, has to be purchased in foreign currency.

7.7.4. "Sozabat" (Kinshasa)

This well-organized company which manufactures car batteries is the subsidiary of a foreign group (Chloride) and employs 67 persons.

The company faces the direct competition of similar imported goods, which in a number of cases are brought in duty-free.

The company's manager has various projects such as a the implementation of a lead recycling oven (US $ 170,000), of a facility to produce lead-oxyde and to manufacture polypropylene batteries (US $ 250,000) and the automation of its present production cycle to lower the costs (US $ 80,000).

These projects are interesting since they would substitute local products to imports and allow the recycling of used batteries which are extremely abundant on the market. However, the foreign shareholding group is shying away from any new investment in Zaire for the time being and there is little chance that the company will be able to raise locally the financing required.

7.8. Wood products sector

7.8.1. "Sozacot" (Shaba)

This sawmill operating in Kolwezi from wood which is supplied mainly from the Kasai region has submitted a request for long-term borrowing to SOFIDE to renew its manufacturing equipment and purchase the vehicles necessary to transport its raw material from the producing region. The investment amounts to US $ 300,000.

The market for wood products in South-Shaba, both for civil and industrial uses, is healthy.

7.8.2. "Marucchi" (Shaba)

This sawmill is owned and operated by a third-generation expatriate family which also operates a construction and a transport company.

The owner sees a very good chance of being able to export specialized wood products for industrial uses in Europe

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(palletization) but needs to replace his existing aged machinery in order to produce at the uniform high quality required by his prospective buyers.

The investment required, that the company cannot at present entirely self-finance is in the order of US $ 60,000 and the banks contacted have not, so far, responded to a request for a long-term loan.

7.9. Cardboard and paper products

The cardboard and paper industry suffers from the "unfair" competition of the imports of finished goods which pay custom taxes which are far below those the raw material necessary to produce locally the same products have to support.

7.9.1. "Cartozaire I" (Kinshasa)

This company, which is part of a group which also have another manufacturing plant in Kinshasa for school notebook and one in Lubumbashi for cardboard boxes, manufactures various paper and cardboard packaging products.

All three affiliates are managed independentely and there is no inter-company exchange of semi-finished products or sub-contracting. The corporate structure does not operate as a holding, for bank credit negociation and temporary excess funds repartition for instance.

The company operates far below capacity for lack of working capital for raw materials purchase and because its traditional market is undercut by low-cost imports.

It nevertheless wishes to invest in a new production chain to cut costs on some products such as corrugated cardboard for which it still sees market potential. The required investment, however, appears to be too large (US $ 1,500,000) to be self-financed by the present shareholders given the return on investment the group provided over the past years.

7.10. Construction materials sector

7.10.1. "Efablo" (Kinshasa)

This small company manufactures various types of cement bricks it sells to a number of construction companies or, given the fact that a lot of building is being done in Zaire by non-registered craftsmen, to individuals.

The company wishes to invest in new equipment to produce other building materials such as metal doors and window frames and steel carpentry to answer most of the needs of the contractors and increase customers'loyalty.

The present activity is being conducted on a small scale and increasing the size of the company would probably require a good amount of management training if it is to succeed.

7.10.2. "Brimba" (Kinshasa)

This company, which presently manufacture cement bricks, has an interesting project of brick manufacture based on local stabilized clay. In those new bricks, cement would only represent between 6 and 8 percent of the raw materials. The technology is basically simple and the necessary equipment unsophisticated. It would produce a low-cost brick whose technical properties are almost as good as those of the more traditional product.

Technical and managerial assistance, as well as external financing, would be required to help the company solve the mass production problems, acquire the equipment and start the operations.

7.11. Printing-shop sector

7.11.1. "Impaza" (Shaba)

This company operates the most important printing-shop in Shaba. The technic l and managerial qualities of the managers and workers is good.

The company obtained a SOFIDE loan in 1985 to buy some new machines and rehabilitate its aged equipment. This loan amounted to 670,000 DTS at 22 percent rate of interest. However, since the repayment rate has been linked to the value of the zaire currency compared to the DTS, it is very heavily burdened with financing costs whose value, at present, amounts to 25 percent of its revenue. This expense threatens the very survival of an however sound activity.

The company is now looking for some financial assistance to reschedule its debt (US $ 400,000), to purchase additional necessary spare parts (US $ 75,000), and to purchase a much needed photo-composition equipment to solve a production bottleneck (US $ 60,000).

7.11.2. "Terranova" (Kinshasa)

This small printing-shop is well organized and managed and its equipment, though aged, is in good condition.

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However, like all established companies in the sector, it suffers from the competition of a number of "amateurs" who start operating with unsophisticated second-hand equipment which can be purchased cheaply abroad. Most printing-shop in industrialized countries have completely changed their technology and printing machines, which well maintained can last for tens of years, are now available at very low prices.

The established companies of this sector tried, through ANEZA, to enforce some sort of regulation of the market but the results have so far been very disappointing. Cut-throat price competition is presently the rule in this sector in Kinshasa.

7.12. Construction sector

This sector is characterized by a large heterogeneity with regards the nature of the activities performed by the various companies, the management quality and the financial needs.

A number of entrepreneurs operate simulteanously as building contractors, manufacturers of building materials, transporters, traders and provider of temporary unskilled workers. This diversification of their activities increases the regularity of their income but also creates serious management problems.

Small and medium building companies are usually involved in technologically simple construction and civil works activities such as the rehabilitation of existing buildings, the construction of houses or the digging and earth moving. In most cases, the industrial construction and the building of offices or housing high-rises is done by much larger companies which do not usually sub-contract much of the work to smaller entrepreneurs.

The quality of the management, technical as well as financial, varies to a great degree and the sector includes a number of untrained people and of downright amateurs.

7.12.1. Building contractors of Kolwezi

All of the construction companies of Kolwezi work mainly, if not only, for Gécamines.

Gécamines unilaterally determines the terms of the contracts, usually technically supervises the work in process, sometimes establishes itself the invoices and always pays according to its own rules.

Most construction entrepreneurs in Kolwezi operate with a limited equipment which is in bad condition. They usually do not include the depreciation of their material in their cost calculation to remain competitive, since most work orders are given by Gécamines

to the lowest-bidder. It is worth noticing that a number of contractors did not seem to have good accounting notions either.

The entrepreneurs also face a problem in the fact that Gécamines do not reajust the terms of the contracts very often. The rates which are fixed for the cubic meter of earth moved, the yard of corrugated iron roofing installed or the volume of concrete poured for instance, do not take into account the depreciation of the local currency and a number of entrepreneurs are probably making a loss on the work they perform.

7.12.2. Building contractors in Kinshasa

During the course of the study, two meetings were held with a number of building contractors grouped into a professionnal association: the "Comité Professionnel des PME de Construction au Zaire" (CPMEC).

Following these meetings, 14 companies answered the questionnaire and were studied in greater detail. The result of this research demonstrates some similarities with the contractors in Shaba, and a number of important differences:

- as in Kolwezi, the small construction companies in Kinshasa are mostly working for a single client, the public administration, which enjoys a quasi-monopsonic situation. This client, however, does not seem to have precise rules for awarding the contracts, and is a far slower payer than Gécamines. A number of entrepreneurs had receivables aged of more than two years.

- as a rule, entrepreneurs in Kinshasa have a construction activity which is far more cyclical than those working for Gécamines and theirwork-force can vary by ten time since they rely heavily on the use of temporary workers. They usually start their construction activity and purchase the necessary equipment when they are awarded one good contract, and a number of them remain out of work for a number of months or years afterwards. A company surveyed dropped from 300 to 7 employees in two years.

- the contractors in Kinshasa have usually a far better management training level than those of Kolwezi, and they appeared to be more conscious of the need for such knowledge.

- a large number of contractors in Kinshasa consider that construction is a minor activity compared to their role as traders or transporters and they seem to be always looking for new business opportunities, in all sectors and sometimes without great realism.

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- the request for financing introduced by a majority of the entrepreneurs bears little relation with the level of their company's present resources. One company interviewed mentioned the need for long-term financing to the amount of US $ 3,500,000 to build a pulp and paper plant while its present revenues were 5,600,000 zaires !

In the next chapter, we document the characteristics and operating modes of the capital markets and of both the structured and non-structured financial intermediaries in Zaire and we present an analysis of their impact on the small and medium industries and of the constraints it represents for this sector.

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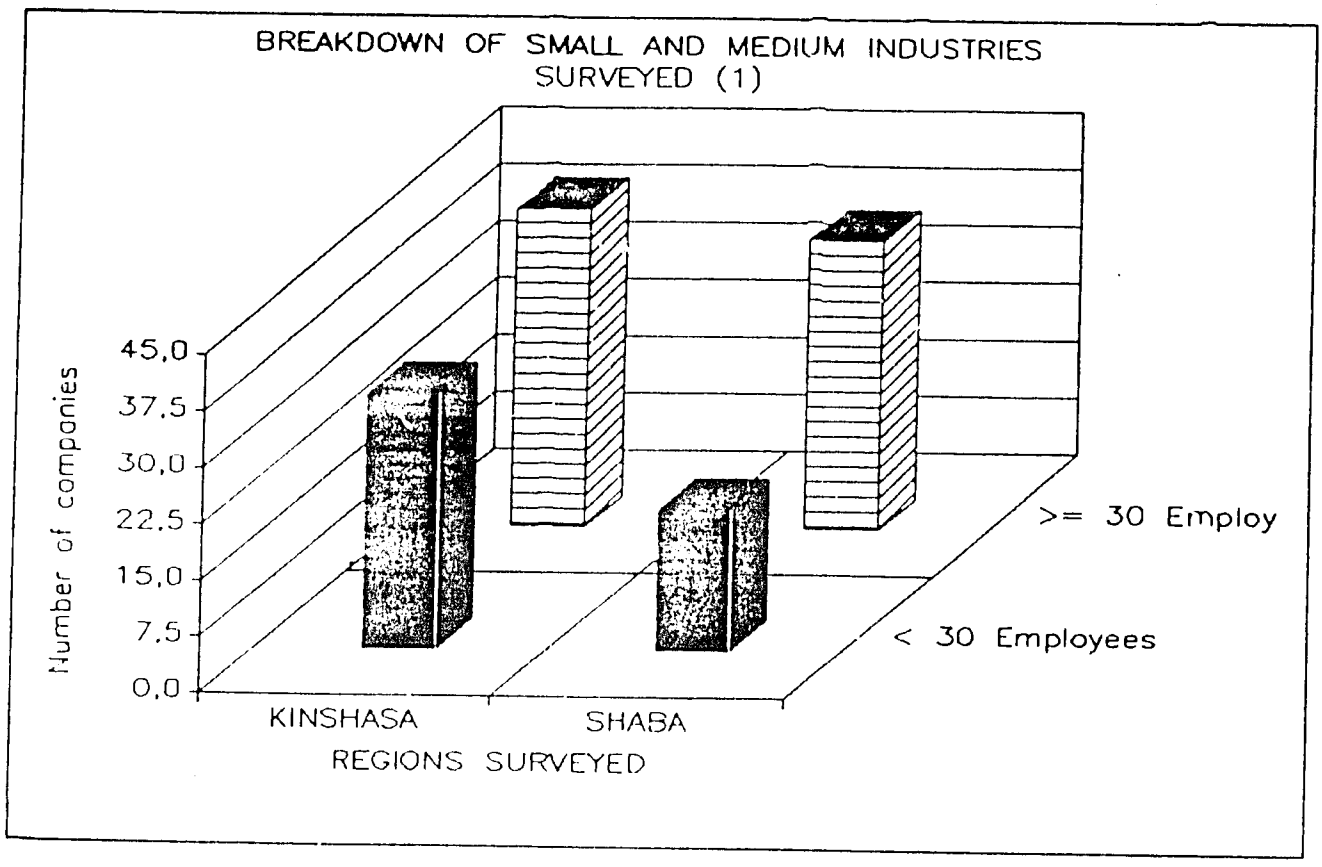
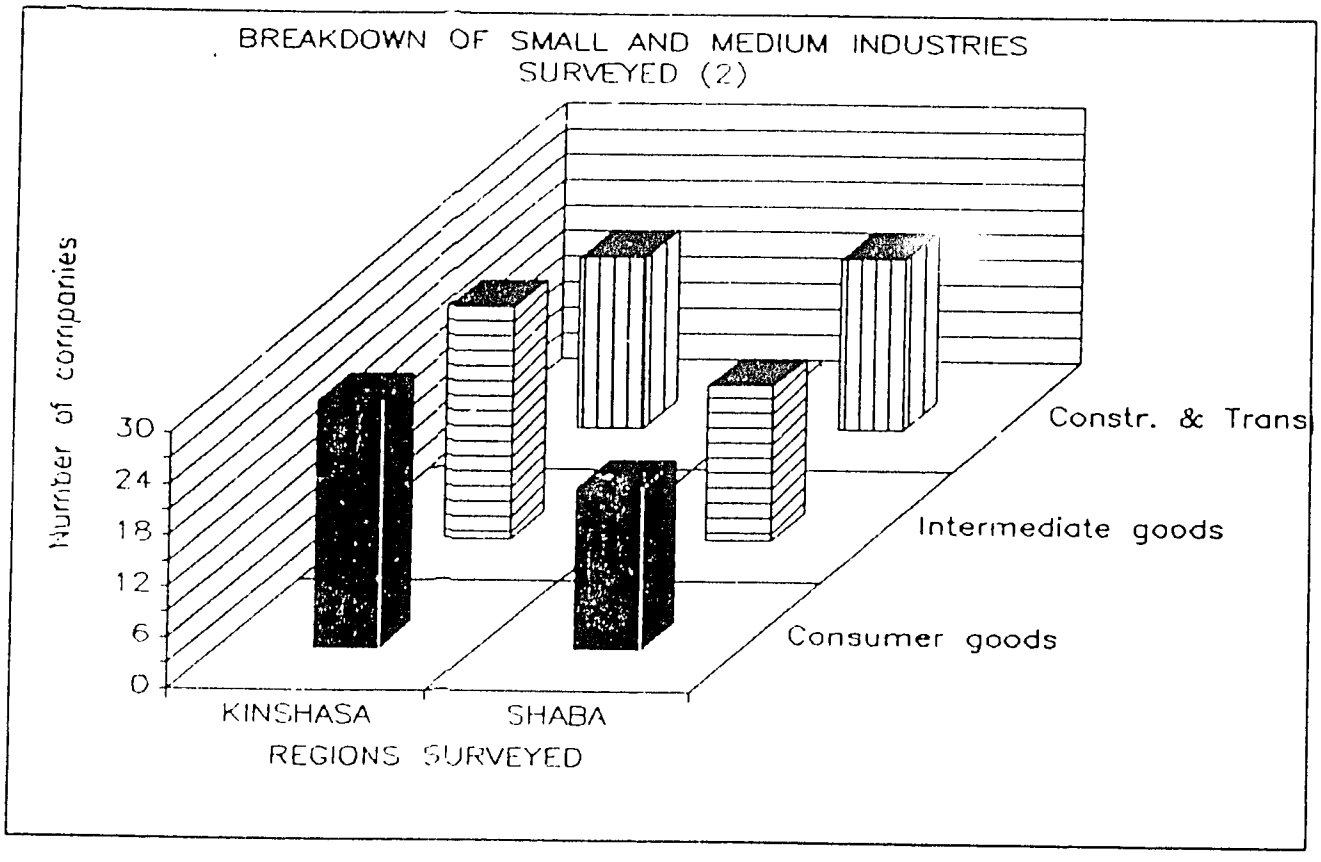

BREAKDOWN OF SMALL AND MEDIUM INDUSTRIES SURVEYED (1)
Number of companies
45,0
37,5
30,0
22,5
15,0
7,5
0,0
KINSHASA
SHABA
REGIONS SURVEYED
>= 30 Employ
< 30 Employees


BREAKDOWN OF SMALL AND MEDIUM INDUSTRIES SURVEYED (2)
Number of companies
30
24
18
12
6
0
KINSHASA
SHABA
REGIONS SURVEYED
Constr. & Trans
Intermediate goods
Consumer goods

CHAPTER 4: THE FINANCIAL INTERMEDIARIES

1. GENERAL OUTLINE OF THE STRUCTURE AND OPERATIONS

The financial sector in Zaïre is composed of the Central Bank (Banque du Zaïre), nine commercial banks and two development banks. The non-bank financial sector includes a social security system (INSS), a postal savings network (CPP), national insurance company (SONAS) and a savings institution (CADEZA). There are also a number of Credit Unions operating in Zaïre.

In addition to the formal sector above there is also the informal sector which consists of individual and group savings and lendings.

1.1. The Bank of Zaire (Central Bank)

1.1.1. Structure and organization

The BZ performs the normal functions of a central bank. It monitors the operations of the financial institutions, administers monetary and credit policies and manages international reserves. Since 1983, in compliance with the IMF guidelines, it has followed a policy of credit controls through credit ceilings. Interest rates (except for agricultural loans - coffee excepted) are freely fixed by the commercial banks. There are generally no import controls and the exchange rates are to a certain extent freely determined on a weekly basis through the interbank market.

The BZ's role in the monitoring of the operations of the financial institutions has not always been stringent. While basic guidelines exist and numerous statistical reporting requirements are imposed on the commercial banks, the enforcement thereof is not as effective in the absence of clear coordinated directives and adequate inspection procedures.

The Credit Department of the BZ plays a more distinct role and is responsible for :

- establishing and monitoring the commercial banks credit ceilings ;
- monitoring their reserve requirements ; and,
- controlling the BZ's rediscount and lending facilities.

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The BZ has a total of 3.250 staff, has its head office in Kinshasa and operates eight regional branches. The bank has 19 departments and is headed by the Governor and Vice-Governor (both appointed by the Head of State). A Principal Director who is an expatriate and financed by the IMF also plays a capital role in overseeing the management of the bank.

1.1.2. Monetary policies

Principally as a means of containing inflation and in order to abide by the standby arrangement with the IMF, Zaïre has been focusing its attention on the control of the growth of its money supply. A number of policy measures affecting the operations of the financial institutions exist such as credit ceilings, minimum reserve requirements, rediscounting facilities and interest rate policy. These policy measures affect the institutions ability to extend credit to the small and medium business sector. The amount of foreign exchange held by the banks also comes under the Central Bank control.

1.1.3. Credit Ceilings

This policy instrument has the greatest effect in containing the overall bank lending in the form of overdrafts and loans. The ceilings (plafond) do not apply to letters of credit (those opened where full cover/margins are not taken), forward exchange transactions and guarantees. The ceilings are established overall for the country by the Central Bank (currently approximately Z 14 billion) and each bank is allotted a share of the total based on their individual capital base and deposits. The credit department of the Central Bank examines on a weekly basis the compliance with the ceilings and severe penalties are levied for non-compliance thereof. The ceilings are raised on a quarterly basis by controlled amounts.

Of the total credit ceilings accorded, approximately 12-15 % of the credit has to be reserved for agriculture (with the exception of coffee) and for investment purposes. If such credits are not made to these designated sectors, the portion of the unutilized credit has to be transferred to the Central Bank. These blocked funds, which are non- interest bearing, can be drawn down subsequently by the commercial banks if the latter find suitable clients for lending in the designated sectors.

1.1.4. Reserve Requirements

The reserve requirement is another instrument used by the Central Bank to sponge off "excess" cash from the banking system. The percentages have varied from time to time. At present the

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Reserve Requirement (coefficient de réserve obligatoire) stands at 47 %. The percentage is calculated on the total of the deposits and current account balances (of less than 6 months), provisions made under letters of credit and other payables. This minimum required deposit has to be lodged with the Central Bank for which no remuneration is received.

For "Fonds de Contrepartie" (counter part funds relating to aid organizations) held by the banks, the reserve requirement has been stepped up to 100 %. This results in a defacto transfer of counter part funds to the Central Bank.

The minimum reserve requirement places considerable strain on the banks liquidity. The facility, however, exists whereby banks can borrow from the Central Bank (at a rate of 24 %) when they are short of funds using the "marché monetaire" facility. Most banks are now net borrowers at the Central Bank. Inter-bank lending has temporarily stopped because of their individual lack of funds and also because it is relatively cheaper to borrow from the Central Bank rather than using the rediscounting facilities.

Inter-bank lending and borrowing from the Central Bank are not taken into the Reserve Requirement coefficient calculation.

1.1.5. Rediscount Facilities

In order to obtain short term funds, banks have the facility of rediscounting commercial paper at the Central Bank.

There is an overall country credit limit set by the Central Bank of Z 5 billion for such facilities. Each bank is therefore allotted a share in this overall credit ceiling.

Interest is charged at the rate of 29 %.

It is interesting to note that with the "marché monetaire" facility, this source of liquidity by rediscounting is no longer used as it is a more expensive facility.

1.1.6. Foreign Exchange Holding

The amount of foreign exchange which a bank can hold is limited to 40 % of its combined capital, reserves and retained earnings. The excess funds have to be sold on the inter-bank market or to the Central Bank on a daily basis.

As a means of increasing the foreign exchange holding, certain banks have freely revalued their fixed assets. In so doing the net credit on revaluation is taken to reserves on which the 40 % calculation is based upon.

Banks have been reticent in the past to sell foreign exchange to the Central Bank or the open market and have preferred to contact their own clients and block such funds through commitments under letters of credit. In the current economic situation because of the scarcity of foreign exchange this "problem" does not exist and banks are finding it increasingly difficult to service their normal long standing customers.

1.1.7. Interest rate and money market policy

During the 1970s and up to early 1983 interest and deposit rates were regulated by the Central Bank. This policy, however, changed in September 1983 when deposit and lending rates were freed except for agricultural loans (coffee excluded). The change nevertheless did not result in any material change in the interest rates ie the change was minor and did not correspond to the exchange devaluation or inflation rate at the time.

In April 1984 the Central Bank introduced treasury bills to the non-bank public at interest rates ranging from 40 - 45 %. There were a number of reasons for introducing treasury bills which inter alia were :

- to partly bridge the Government fiscal deficit ;
- to further clamp down on inflation by sponging off excess liquidity from the market ;
- to pay realistic rates of interest (in real terms taking inflation into account) and putting pressure consequently on the banks to realign their deposit and lending rates.

Commercial banks have therefore started paying interest on current accounts and mainly on deposit accounts of over 6 months. The banks, however, will never be able to compete with the treasury bill interest rates in real terms because the treasury bill interest is not taxable whereas bank interest on deposit accounts is subject to corporation tax. Also, with the reserve requirements, 47 % of such current account deposits (of less than 6 months) require to be placed with the Central Bank free of interest. As a result the banks effectively can only use about a half of short term deposits for profitable business.

Whilst interest rates are supposedly free, there is no perfect market mechanism to determine such rates. With the different credit constraints, there is insufficient credit available and customers cannot " shop around" to obtain the best terms and conditions. Up to September 1986 for example the interest rates in general were positive in real terms. Since this date, however, inflation has soared but interest rates have only marginally increased. The real rate of interest is now very much negative. It

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is recognized, however, that the business pace has slowed down to such an extent that further material increases in the interest rates would cripple most companies.

Some believe that the sudden surge in inflation in the 6 - 9 months period commencing October 1986, during which time the rates od interest did not materially change, has been a temporary hiccup in the system. The Government expects a drop in the future since it has reconfirmed its monetary policies basically to tie in with the IMF requirements. The interest rates might therefore once again be positive in real terms.

1.2. The commercial banks

1.2.1. General outline

There are nine commercial banks operating in Zaïre viz.

- Banque Commerciale Zaïroise (BCZ)
- Union Zaïroise de Banques (UZB)
- Banque du Peuple (BDP)
- Nouvelle Banque de Kinshasa (NBK)
- Citibank
- Grindlays Bank
- Barclays Bank
- Banque Internationale pour l'Afrique au Zaïre (BIAZ)
- Banque Continentale Africaine au Zaïre (BACAZ)

The BCZ, UZB and BDP are the three largest banks with extensive network in the interior. Together they hold about 75 % of the commercial banks assets. The BDP and NBK are the only State controlled banks. The latter was declared bankrupt and taken over by the State in 1986. It continues to operate currently but is heavily indebted to the Central Bank. While the BCZ and UZB are foreign banks, a significant part of their stock (more than 25 %) is held by the State. The remaining five banks Citibank, Grindlays, Barclays, BIAZ and BACAZ comprise the smaller banks which are entirely foreign owned and have operations only in Kinshasa (exept for BIAZ which has a small branch in the Shaba). These banks prefer to service large corporate clients and subsidiaries of multinational companies.

The commercial banks' main activity is in the area of foreign trade financing either in direct import-export operations or in international trade financing. Other current account services are reserved for large clients but are less lucrative to the banks'. Personal account services are almost discouraged by the banks by the imposition of high service charges and requirements for maintaining relatively high minimum balances.

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1.2.2. Overview of operations

1.2.2.1. Source of funds

Besides the commercial banks own internally generated funds, the banks have to rely primarily on the private sector customers. In the absence of a formal money market in Zaïre the commercial banks immediate resort for liquidity has been to use the rediscounting facility at the Central Bank. More recently, however for liquidity needs, the commercial banks have been borrowing using the BZ facility ("marché monetaire"). The commercial banks are now largely overdrawn at the Central Bank. Such borrowing is made at 24 % interest and is cheaper than the traditional rediscounting rate of 29 %.

The banks deposits from customers tend to be generally short term (for current operating purposes including the building up of sufficient funds for provisioning under letters of credit). Long term funds are seldom received including from the insurance company, SONAS.

1.2.2.2. Uses of funds

The commercial banks lending is generally short term in nature in the form of overdrafts (6-12 months with possibility to roll-over) and loans (up to 12 months but with possibility to renew). Lendings, being severely restricted, generally go to well established private companies with repute. The main recipients are in the agriculture/trade, manufacturing and transport sectors receving respectively 65 %, 20 %, and 5 % of the credits.

Although short term lending continues to be the commercial banks' major activity, the banks do provide a certain amount of medium term credit. There is, however, the general constraint to medium term lending insofar as banks have to match such lendings with term deposits and funds (criteria set out in the BZ instruction n° 8). The medium term lendings are minor and represent approximately 20 % of the total lendings.

The decision making for granting term loans within the commercial banks' is centralized in most cases in Kinshasa. The management of some of the branch banks (Shaba region) do have certain decision-making powers but for any material lendings, the decisions at board level are the preserve of the head office in Kinshasa.

In all cases lendings are backed by some form of guarantees (mortgages, floating charges on stocks and even parent company guarantees if available). The enforceability of some of the guarantees have proved to be legally difficult and time consuming.

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The commercial banks' capacity at the level of loan reviews and appraisals would appear to be adequate. The area of examination would therefore cover : the moral standing of the borrower, sales forecast, projected cash flow, quality of management, etc... Their talent, however, has not been put to the full test primarily because credits are short term in duration and because the credit squeeze has made it very much a lenders market. The banks therefore do not have to market their credit services but are able to reserve their services only to the selected few representing those corporate clients with very little risk.

The banks are generally well managed and profitable (except for the NBK which is a special case in that it inherited significant non performing loans and is consequently heavily financed by the BZ). The accounting directives and criteria for loan provisioning have not been clearly defined by the Central Bank (BZ). Such disciplines if adopted would enhance the value of the financial statements and also make them more readily comparable.

1.2.2.3.Letters of credit and foreign exchange

Letters of credit are used mainly for trade financing. There are very few import restrictions and the validation of the import licence does not present much of a problem. Before opening a confirmed letter of credit the commercial banks would initially ensure that they have the available foreign currency at their correspondent banks. This being the case they would require generally a 100 % margin/provision from the customer. In creating the provision, the foreign exchange is set aside specifically for the operation at the established rate of exchange. No exchange risk is subsequently incurred on maturity when settlement is made with the supplier's bank.

In certain instances commercial banks have opened letters of credit without full provisions. This practice is, however, not very common for the following reasons :

- The banks are committed to finding the foreign exchange at the time of maturity.

- The customers are required to have, at the time of maturity, the equivalent in local currency to purchase the hard currency.

The above presents a two-fold problem in that the banks may not have the hard currency available and secondly between the opening and settlement of the letter of credit there could be an exchange rate deterioration resulting in the customer (importer) being exposed by not having the additional funds budgeted.

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Zaïre's foreign exchange is held by the Central Bank and the commercial banks. The export proceeds (a percentage thereof) of the mining companies, sales taxes and dividends etc of crude oil sales goes to the Central Bank whereas other agricultural and commodity exports go to the commercial banks which purchase and retain the foreign currency in exchange for local currency.

Demand for foreign currency by the commercial banks' customers exceeds the available supply. At the same time, however, there are restrictions to augmenting credit facilities as a result of the credit ceilings imposed (Central Bank/IMF medicine for controlling inflation). In this uncomfortable situation therefore a number of companies are working below optimum capacity and the meagre amount of foreign currency and local currency finance available tends to go generally to the larger corporate clients.

1.2.2.4.Range of most frequent lending rates and commission

	Interest p.a.	Commission/fees
Short term advances and discounts, and overdrafts	33 - 40 %	Quarterly fee of 1 % on original amount (for overdrafts the fee is calculated on the highest overdraft balance).
Medium term credit	32 - 45	Quarterly fee on outstanding amount
Penalty rates	45 % and more	

(A turnover tax (CCA) of 18 % is applied to all the interest and commission charges except agricultural lending. It is intended to stop CCA tax altogether by 1989).

1.3. The development banks

1.3.1. SOFIDE

SOFIDE is a limited liability company established in 1970

with a 40 % Government participation. The rest of the capital is held by local and foreign shareholders including the IFC.

SOFIDE works with credit lines provided by national and international financial institutions each of which have specified requirements and obligations as to the terms of financing and reimbursements. The foreign element of the loans and resources are revalued periodically in Zaïre terms. In 1986 the Zaïre resources available amounted to Z 5.5 billion and the loans outstanding, Z 5.9 billion.

During 1986 new loans granted diminished by 28 % in terms of numbers. The main reason for the decrease is the high rates of effective interest (14-18 % interest rate plus the exchange risk factor). A number of clients have found it more interesting to seek local bank credit when available and some clients have even gone to great pains to extinguish their debts prematurely in order not to entail further exchange risks. A number of customers are, however, finding it impossible to repay SOFIDE and would almost certainly go bankrupt if repayment was enforced.

As of 1986 approximately Z 1.5 billion of term repayments remain in arrears.

As a means of reducing the real cost of interest on foreign currency loans, the Government has recently announced the abolition of CCA tax (18 %) on the interest charges. The Gòvernement is also studying the possibility of a guarantee mechanism scheme in which future exchange risks will partially or entirely be taken up by the Government. Such guarantees would be availed only to certain categories of companies (SMBs and investment oriented companies) having contracted long term loans.

Two thirds of the credits accorded are destined for refurbishing and extension programs. Working capital finance is no longer made. In terms of sector lending, the manufacturing industry has received 40 % followed by agriculture and transport at 27 % and 20 % respectively.

SOFIDE distinguishes its lendings also between the size of the enterprises. 90 % of the credits equating to 60 % in value terms go to the small and medium businesses (SMBs). SOFIDE has set up in this regard a SMB unit to provide specialized services to borrowers in order to facilitate the latter in preparing : demand for credit dossiers, prepraration of marketing and feasability studies, cash flow and budget statements, etc.

The loan selection criteria is based on those projects which respond to :

- the balance of payments ;

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- the satisfaction of basic needs ;
- the rehabilitation and modernization of industrial enterprises ;
- the increase of local substitution ;
- the creation of employment ; and,
- the improvement of infrastructure in the interior.

SOFIDE will finance up to 50 % of the cost of a new project and 75 % in the case of an extension to an existing project. As is the case with banks, it requires security in the form of mortgages and other floating charges on assets as collateral.

The average loans are approximately Z 20 million ; the minimum could be much smaller (the amount needed for example to purchase a truck). The loan duration varies over a period of 3.5 to 15 years ; the average being approximately 8 years. The SOFIDE management meets once a week and has the power to decide on loans up to $ 1,750,000. Loans beyond this sum have to be approved at the level of the executive board members and directors which meets once every three months.

SOFIDE employs 229 personnel of which 76 are graded supervisory staff and above.

1.3.2. The Banque du Crédit Agricole (BCA)

BCA is a 100 % State owned bank and was set up in 1982 with the aim of providing short, medium and long term credit to the agricultural sector. Its statutes allow it to take deposits from the public and also enter into certain commercial banking operations. In this regard it plays the role of a commercial as well as a development bank. The BCA is the smallest bank in Zaïre and operates in Kinshasa. A branch was opened up in May 1987 in Kikwit and a new branch office is planned to be opened in Lubumbashi (SHABA).

The BCA has recently elaborated with the CPCZ (Conseil Permanent de la Comptabilité au Zaïre) a chart of accounts specifically adapted to its needs. It has also taken steps to ensure adequate training is provided to its staff members.

The share capital of BCA was funded by the State by 5 periodical transfers of Z 25 million each. The bank has not been generating much business and its capital in real terms has been seriously eroded in the inflationary climate.

As of september 1986 BCA's resources including paid in capital of Z 105 million stood at Z 365 million. Of the demand

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deposits held of Z 260 million, approximately 80 % came from the Fonds des Conventions de Développement (FCD). In 1986 credits were made to 84 projects totalling Z 225 million.

From the interest rate point of view, the BCA is not different from any of the commercial banks. This explains the very high demands for credit facilities it receives compared to SOFIDE. In lending terms, its portfolio is only one-sixth the size of SOFIDE.

Approximately one third of BCAs lending is medium term. The loans are principally made for the production and commercialization of agricultural products. Approximately 20 % of its loans are in default either because of bankruptcy or mismanagement at the level of the projects.

In an effort to improve the credit resources to the agricultural sector, the FCD was merged with the BCA. It is expected that the combined resources will greatly help in further advances being generated to the agricultural sector. The merits and effects of the merger, however, remain to be seen. Since the FCD tax (an agricultural tax of initially 10 % levied on the turnover of manufacturing firms ; the tax has been subsequently reduced to 2 %) has now been absorbed and contained in the overall CCA tax it is up to the State to ensure that a portion of the taxes representing the FCD fund (2 %) is allocated to the BCA. In the absence of such funding and the low real rates of interest (agricultural sector), it is doubtful that the BCA will continue positively in its activity. It is worthwile noting, however, that certain international institutions have been interested in the BCA's role and credit lines have recently been granted (KFW, counter part funds).

1.4. The credit unions (CUs)

The C.Us have three features which distinguish them from the financial institutions :

- they offer services only to their members ;
- their management is composed of the elected members and is democratically controlled ; and
- their profits are divided and accrued to the members on the basis of their deposits.

The first C.U. was created in the "Equateur" region with the help of religious organizations. The movement grew rapidly because of widespread interest in savings. As of December 31, 1986 there were nine C.U. lines operating in Zaire with total savings of

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approximately Z 1 billion (represents 7 % of the total bank deposits) and with a membership of 500.000.

1.4.1. Communauté Baptiste du Zaïre Ouest (CBZO)

The biggest Credit Union is the CBZO-CPCL. It has a membership of approximately 155.000 and savings deposits of Z 626 million with lendings of Z 68 million. They operate in the Bas-Zaïre and Kinshasa in 34 branch offices and employ 512 staff.

Approximately 50 % of the lendings have been made as working capital advances to members to facilitate primarily purchases of agricultural produce for resale ; 40 % have been made to finance housing construction and improvements and 10 % for social needs (medical, school fees, etc).

Members receive 6 % interest on their deposits whereas interest on loans are levied at 1.5 to 3.5 % per month. Detailed statistics are not maintained of the loans to borrowers and administrative procedures are lacking. CBZO believes that approximately 10 % of the loans are non-performing and will not eventually be repaid.

CBZO maintains close links with the protestant church in Germany and receives technical assistance from OPEZ. (Office de Promotion des Petites et Moyennes Entreprises du Zaïre)

1.4.2. Union des Cooperatives Centrales d'Epargne et de Crédit (UCCEC)

The organization of the UCCEC (Union des Cooperatives Centrales d'Epargne et de Crédit) is split in 3 levels :

- The basic level comprises the individual cooperative branches ie the COOPEC (Cooperative d'Epargne et de Crédit) approx 200 in number and employing over 1.000 personnel and with a membership of 300.000). At this level the basic savings are accounted and loans made to members in accordance with the directives.

- Three secondary level is composed of groups from the primary cooperatives which make up the COOCEC (Cooperative Centrale d'Epargne et de Credit). They perform accounting and administrative services and provide back-up services to the members.

- The third level comprises the federation stage making up the secondary C.Us ie the COOCEC's. (Four of the COOCECS are

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currently grouped under the UCCEC umbrella). The objectives at this management level are to ensure proper coordination and execution of the directives and also to liaise with third party institutions both on a national and international level.

The above COOCEC's are set up in Kinshasa, Kikwit, Basankusu (Equateur) and Bukavu (Kivu).The Kinshasa unit is the most important with savings of Z 167 million. Lendings which are made for a maximum of 12 months stood at Z 13 million as of December 31, 1986.

1.4.3. COOCEC-CEZ

A third unit in the Cooperatives Union network is the COOCEC-CEZ (Communauté Evangelique au Zaïre) which was created 3 years ago.

COOCEC-CEZ has 18.000 members and deposits totalling Z 33 million as of December 31, 1986. The total composition of the assets is not known but loan advances make up Z 4.4 million. The cooperative is a small unit operating in Kinshasa and Bas-Zaire (29 branch offices) and having a staff of 116.

The deposit accounts are remunerated at the rate of 3%p.a. whereas interest on loans vary from 5 to 20 % p.a. The bad debts rate is approximately 9 % of the loans outstanding.

There is a lot of demand for advances particularly for working capital requirements. Management is looking into ways of improving its own administration and loan monitoring. It recognizes the fact that lending to the small businesses is more beneficial in terms of development and growth rather than using excess funds from depositors to purchase Treasury Bills, although the latter in terms of interest is more remunerative and virtually risk free.

1.4.4. Overview of the operations and problems of the credit unions

The C.Us through their various branch offices operate widely in the interior. They have a network which is accessable far more than the commercial banks. The tremendous growth of the C.Us in the past ten years is a clear indication of the high regard for savings and growth through savings. Such services are not being provided by the commercial banks and the C.Us have a capital role to play in the future.

At the organizational level, however, the C.Us operate inefficiently. The C.Us do not come under the supervision of the Central Bank but are under the auspices of the Department of Agriculture. For years therefore, and until very recently, there has

never been any serious monitoring of the management or financial affairs of the activity and the C.Us have been allowed to grow without any guidance. There has been consequently serious mismanagement and frauds over the years.

In 1986 the COOCEC-CEAZ came under the Central Bank's scrutiny because a number of irregularities came openly to light. The board of directors was suspended and control was temporarily given to UCCEC. (Technical help is rendered by the canadians as part of the cooperative aid programme between Canada and the Republic of Zaïre).

An audit was immediately carried out in April 1987 on the December 31, 1986 financial position and the following problems were noted :

- The financial statements were not available as of December 31, 1986. The preparation of any meaningful statements was beyond the capabilities of the staff.

- The system of internal controls was totally inexistent.

- A substantial portion of the loans/debts were non-performing. The whereabouts of the borrowers could not always be ascertained.

- Certain members of the board of directors and staff took unauthorized loans.

The above list is not exhaustive and it is certain that a number of other irregularities exist which could not come to light because of a total breakdown in the accounting trail.

The above anomalies are not necessarily indicative of the sort of problems in the other C.U's but in the absence of controls and supervision one can expect serious deficiencies in the other C.Us. Part of the reason why management deficiencies did not come to light earlier is that the C.U's margins between the deposit interest paid of 3 - 4 % and what it earned through its treasury bills 40 - 45 % has left it flushed with cash. The differential in the cash margins have been enormous and fraud and other illegitimate expenses have been incurred using such cash surpluses without bringing the operations to a grinding halt.

The cooperatives play a major role and their operations are vital for the development of the country. The members of the C.Us are private individuals and a number of them own small business. Potential growth of the small and medium business could be fostered through the C.Us by ensuring that the latter is adequately equipped and monitored in order to play its role effectively.

Help is needed in the following areas :

- The management and operational system of the C.Us need to be standardized and harmonized and affiliation to a central unit such as the UCCEC is recommended ;

- The management and staff need technical and financial training and supervision on an ongoing basis ;

- The statutes and organizational information need to be formalized and adapted to the needs of the C.Us. A code of practice needs to be established with the Central Bank ; and,

- The Central Bank should control and monitor the operations of the C.Us in the same manner as the commercial banks. (A first step has been taken by the Central Bank in its instruction letter N° 1 which defines broadly the requirements of the C.U's. Follow-up of the reporting requirements and other directives, however, have yet to be issued).

1.5. Other financial institutions

1.5.1. La Caisse d'Epargne au Zaïre (CADEZA)

The CADEZA is a State owned savings institution and was founded in June 1950 under its historical name "CAISSE D'EPARGNE DU CONGO BELGE ET DU RWANDA-URUNDI". The objectives of the institution were to encourage savings and to transform such savings into long term investments. The initial working capital funds came in the form of long term deposits by the State and parastatal companies. Also a number of expatriates working for Government institutions used the facilities of CADEZA for savings purposes.

CADEZA has 67 branches and employs a staff of approximately 1.050. It has term deposits of approximately Z 275 million and pays interest of 12 % p.a. (The size of the individual average deposit is Z 10.000). Its loan portfolio is Z 117 million (short term only). Interest on borrowing is 36 %.

CADEZA's role was successful up to the early sixties insofar as its source and utilization of funds was concerned. The situation radically changed after independence with the diminution in the expatriate community and consequently the source of funds.

CADEZA lost its identity and image in the eyes of the public when it was granted the statutes to operate as a commercial bank. Its primary responsibility of approaching and identifying itself

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with individual savers and rewarding them with interest (not normally accorded by the commercial banks) on their term deposits became secondary as it now took on financial responsibilities different from what it was accustomed to. Priority was now given to managing short term company funds.

CADEZAs performance came under further pressure when the Government introduced the Treasury Bills to the public at interest rates of 40 - 45 % p.a. CADEZA therefore found itself incapable of retaining its savers and on the commercial banking front was unable to match the rest of the commercial banks who, relatively, had better management.

CADEZAs operations are small if one compares the UZB which employs the same number of staff but has 10 times more deposits and accords 15 times as much in loans and is highly profitable. CADEZA has recurring deficits and needs constant Government subvention to keep its operations going.

1.5.2. Société Nationale d'Assurance (SONAS)

SONAS was created in 1967 as a State insurance company and enjoys a monopoly situation protected under the insurance law.

SONAS deals either directly or through insurance brokers in the insurance of automobile, shipping, air transport, fire, construction, and life insurance. The principal area of its business lies in automobile and transport insurance.

SONAS employs over 1.600 persons on the operational level, SONAS has serious management problems. Part of these problems stem from the fact that it enjoys a monopoly situation in a lucrative area with no competition and with no will to improve. The books have never been subject to an audit under international standards and there are serious deficiencies in its controls which have been recently voiced in the press.

Insurance companies in general have a significant role in the economy of a country viz :

- the collection of resources and transformation of such resources. The resources by their nature would normally be employed for long term purposes (construction and development programs ; long term lending - treasury bills etc) ;

- using resources by placing long term deposits at the commercial and development banks ; and,

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- by providing indirect comfort to the financial institutions by assuring the latter that the assets of its debtors (the financial institutions) are adequately secured by a reputable insurance company (building, life and other insurance coverage).

SONAS does not play its desired role in the economy of the country and in the transformation of its resources. SONAS does not have significant t rm deposits at the banks and nor does it have a significant portfolio of development land and buildings. Furthermore SONAS has a very bad reputation for settling insurance claims. The banks therefore do not have confidence in some of the securities they hold for their debtors given that the insurance cover in reality does not provide adequate safeguard.

In the present state SONAS is unlikely to change its performance and contribute to the economic development of the country. Major changes are required such as liberalizing the monopoly situation ; privatizing the company ; subjecting the company to audits under international standards and thereby, improving the operational efficiency before SONAS can be capable of playing an effective role.

1.6. Informal credit

The informal credit facilities exist at the individual and family level and satisfies particular needs which cannot be served by the banks, cooperatives or at a company level ie loans to its employees.

In Zaire a popular form of savings is to form a group of selected members where each member agrees to put aside or contribute a certain amount each month. The total sum collected each month goes to an individual member. The beneficiaries are rotated each month and this ensures that on a periodical basis each member receives a "large" contribution made up of collective sums from the group. Such pooling and distribution of resources enables the individual to engage in expenditure which individually on his sole revenue, he would be unable to. This is a popular from of disciplined saving and is preferable to individual savings where the funds lie idle and lose in value in terms of purchasing power because of inflation.

Such saving schemes are denoted "tantine" or "Likelemba".

Credit is also available under the "Banque Lambert" scheme where interest is charged on loans at astounding rates which vary from 30 to 100 % per month. The rates are extremely high because of the risk factor. Such loans are only taken up when there is an urgent and immediate need for funds.

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Temporary saving facilities are also offered at the market places. Traders with no security facilities will confide in individuals with safes and strong boxes. Money is held overnight or for longer periods for a specific charge.

The informal market perhaps of most importance is inter-company lending which can be made in significant sums and which by-passes totally the banking sector. This practice is more common with the commercial traders and is done so for a number of reasons :

- Inter company borrowing and lending is much quicker than using the facilities of the commercial banks where significant delays can occur. It is not uncommon for banks not to have the liquidity although the clients have credit balances in their accounts ;

- Certain clients wish to keep their business operations very private. Dealings are strictly on a cash basis and no accounting trace is maintained for tax evasion purposes ; and,

- Some clients play the role of money traders. Significant amounts of Zaires and foreign currencies are purchased and sold each day. Such operations are not facilitated using the traditional banking services.

2. ROLE VIS A VIS THE SMALL AND MEDIUM BUSINESSES (SMBs)

In order to determine the role of the financial institutions vis a vis the Small and Medium Businesses, interviews were conducted with management staff of the principal commercial banks, the development banks and the credit unions. A detailed questionnaire was used in this regard and replies have been condensed and are presented in paragraphs 2.1. to 2.21. below.

With regard to the development banks, the information produced relates principally to that received from SOFIDE. The BCA plays a less prominent role towards the SMBs and accordingly the facts received, not being representative to the overall situation, have been left out on occasions.

2.1. Percentage distribution of financial services to customers by size

The banks do not maintain statistics distinguishing the size of the companies. One bank alone has a special SMB department to

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monitor and administer such loans. (In the past the Central Bank had a special credit line for advances to the SMB's).

SOFIDE (development bank) makes 90 % of its loans in number to the SMBs. Such loans account for 65 % of the total loan portfolio.

The Credit Unions (C.Us) make small working capital advances (± Z 30.000) to traders to cover business or social costs. No statistics are maintained of such lendings.

2.2. Percentage distribution of short, medium and long term loans (number and total value) by size of borrower

The commercial banks do not make long term credits. Approximately 85 % of the credits are short term (maximum 12 months) and the rest are medium term (2 - 5 years).

SOFIDE does not advance short term working capital. The average advances are made for long term purposes of 7 to 8 years with a maximum of 15 years.

The C.Us make only short term credits generally not exceeding 12 to 15 months.

2.3. Legal or statutory constraints hampering financial institutions from playing a more important role towards SMB's

There are no legal or statutory constraints preventing banks from playing a more positive role towards the SMBs. Certain prerequisites, however, make lending to the SMBs difficult. The SMBs do not in general have a proper management structure ; the accounting controls are very rudimentary or inexistent ; management is in the hands or responsibility of one single person (who in general is not covered by any life insurance). Furthermore, the administrative time and cost to the banks to monitor the lending is high in comparison to the revenue to be gained from such business.

To qualify for a C.U loan one should be a member for at least three years and have in deposit, at the time of the loan request, at least 50 % of the advance requested. The loan file is examined in order to establish the purpose of the loan (loans for marrying a second wife for example would be rejected). For security purposes, the C.Us would take in custody an item of value (bicycle, sewing machine). For more important loans the title deeds to property are taken as collateral. (The Central Bank in a recent circular has placed overall restrictions limiting lendings to 40 % of the total deposits).

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2.4. Technical or money supply constraints hampering development of the SMBs

With the credit ceilings in force the banks prefer to service their large corporate clients who have better security and who also generate more lucurative business in the form of foreign trade financing.

The development banks service primarily the SMBs. No technical and money supply constraints exist.

The C.Us are unable to lend long term to the SMBs because they hold mainly short term deposit accounts. Furthermore the Central Bank has also restricted lending based on their deposits - 40 %.

2.5. Type of banking services most frequently requested and received by the SMBs (overdrafts, bills discounting, loans, etc)

The SMBs request and receive the same services as the rest of the clients (statistics are, however, not maintained for the SMBs showing loan requests ; refusals ; type of business sector). The Central Bank shows in its global lending situation, facilities provided in the following ratios.

- "Crédit à court terme" (short term credit) 67 %
- Commercial paper (discountable) 17 %
- Commercial paper (non-discountable) 14 %

SOFIDE is practically the only significant lender to the SMB. The effective interest rates are relatively more expensive because of the exchange risk factor (loans are made in hard currency with the borrower bearing the risk of exchange devaluation).

The C.Us only make straight loans and are not yet sufficiently developed to deal with commercial paper.

2.6. Expansion priorities in terms of types of financial services and types of clients

The present policy and strategy of the commercial banks is likely to remain in force which is to service existing corporate clients for which better financial returns are achieved. While there

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might be minor changes in the credit and monetary controls, there is unlikely to be a change in the banks market view and policies. The limited business will therefore continue to be restricted to the existing clients.

SOFIDE the development bank has more concern for the SMBs. The Government of Zaire has also recently emphasized the need to help the SMBs. Further interest has also been generated at the ANEZA (chamber of commerce) level. Collectively between the development banks, ANEZA and OPEZ, one can expect a more concerted effort towards the development of the SMBs in the future.

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The C.Us are also aware of the importance of the SMBs and the financial and technical assitance that is needed. The C.Us recognize their own legal technical and management problems and are aware that they are unable to play a full role towards the SMB development because of this handicap.

2.7. Financial services, promotion and marketing policy towards SMB's

The banks do not provide financial and promotional services to the SMBs.

The development bank (SOFIDE) has set up a unit to help the SMB in appraising financial information, preparing budgets and cash flow statements, loan requests, etc.

One branch of the C.Us has taken up contact with OPEZ (Office de Promotion Pour les Petites et Moyennes Entreprises au Zaïre - a public instituion set up to provide technical and management help) to develop and coordinate further help towards the SMBs.

2.8. Types of projects submitted by SMBs in their loan requests

A major part of the credit request is for the purchase and commercialization of agricultural products (mainly coffee), timber and also diamonds. Demand for credit is also received for working capital requirements such as imports of raw materials and spare parts.

Demand for medium term credit is mainly for productive fixed assets acquisitions (the banks are generally not interested in such lendings).

(In the annex to this report the total lendings under the overall ceilings are indicated. The analysis is split by sector of lending. No details are, however, maintained for the SMB sector in comparison to the total lendings or showing details per type of borrowing).

The development bank keeps detailed statistics showing loan requests and loans granted to the SMBs.

The C.U loans are mainly for small equipment purchases, small loans for vehicle and house repairs, and advances for working capital purposes.

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2.9. Types of loans granted to SMBs : short; medium; long-term and the percentage of each in relation to the total

The commercial banks do not keep such statistics.

For SOFIDE, see annex to report.

The C.Us only make short term loans.

2.10. Criteria used in loan request evaluations.

For commercial banks the most important criteria is the standing/prestige image of the client and turnover. Guarantees are requested in most cases. For medium term loans more emphasis is placed on mortgages and other collateral which can be obtained from the clients. The cash flow and budget statements are also examined.

SOFIDE is much more detailed in its evaluation and examines various management, financial and trading forecasts before granting any loans.

2.11. Method used to find information on prospective borrowers and types of information sought

Fact finding : (at the level of the commercial and development banks)

History of previous credit facilities;

Checking information with other banks;

Checking information at the "Centrale de Risque" at the Central Bank (As of April 1987, however, the most recent information at the Central Bank dates to October 1986);

Information is sometimes sought from clients and suppliers in respect of the loan applicant;

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Statutes and financial statements are also examined (the banks do realize that the fiscal financial statements may not necessarily represent the true financial position of the company. Very often if the customer needs the funds urgently or knows his bank intimately, the true financial statements and management accounts are presented.

Management accounts and budgets and market studies, if available, are examined;

Cash flow projections and the level of borrowing/gearing ratio;

Contingent liabilities, if any, are also discussed; and,

The annual audited accounts are often asked. (Not much reliance is placed on audited accounts unless performed by an international firm of auditors).

The C.Us do not have qualified personnel to perform credit inspections and reviews. The loan requests are done on a rudimentary and informal basis.

2.12. Average duration of loans to the SMBs

There is no distinction between the SMBs and corporate clients in regard to loan duration. Short term loans are for up to 12 months period ; Medium term for 2 - 5 years ; Long term loans are not made.

BCA lends short term (but the loan portfolio is insignificant) SOFIDE does not lend short term. The average loans are for 7 - 8 years but could be for as long as 15 years.

The C.Us make only short term loans (12 months).

2.13. Security Policy

The commercial banks will look for maximum security if possible but very often the customer may have other obligations and their fixed and other assets may already be pledged with other institutions. The banks for maximum security obtain parent and foreign bank guarantees. The title deeds are very often pledged to the banks who merely hold the documents without effecting any legal registration. Inventories and other assets may also be pledged to the banks for guarantee purposes.

The development banks have the same policies as the commercial banks. Plantation and pastures are sometimes pledged but land cannot be mortgaged since in law all land belongs to the State.

Land, however, is considered to be leased to the owner/occupier for a 25 year period and the renewal of the lease is normally granted by the State.

The C.Us also insist on securities for loans. The control procedures are more lax and a personal guarantee from a member of the C.U is also acceptable.

2.14. Value of the loans as a percentage of the value of the security offered

There is no readily available correlation but the SMBs are expected to present greater security because of the risk element involved.

The C.Us do not keep statistics of such information. They insist, however, that the value of the guarantee be in excess of the loan to be granted.

2.15. Characteristics of the various loan categories (interest rate, other costs, security, etc)

Most of the credit varies between 32 % (coffee loans, rediscounting at the Central Bank) and 40 % (for overdrafts).In addition there is a commission charge of 1 % per quarter.On the total charges a CCA (turnover) tax is applied of 18 %. For unauthorized overdrafts, severe penalty rates can be applied by the banks. This is necessary to compensate the Central Bank fines which are levied on the banks and which could arise for exceeding the lending ceilings.

The C.Us rates vary from 12 % p.a. to 42 % p.a. depending on the category and amount of the loan.

2.16. Average duration of a loan approval process

For the commercial banks where the average loan request file is not large, the banks would take 1 - 3 weeks for loan approval. For syndicated loans the duration is much longer but such loans are for the State and large corporate clients only. Loan reviews can take longer than the average 1 - 3 weeks if the borrower has applied to one of the branch banks. Since the lending powers and decision making is very often centralized in Kinshasa, time is spent in transmitting the dossiers to and fro between the interior and Kinshasa

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In practice, most new loan requests would be rejected because of the credit constraints currently in force.

The development bank, SOFIDE, has more complex procedures at different levels. Credits over $ 1,750,000 have to be approved by the executive council which meets every 3 months. Approval could take 3 - 6 months. Loans below this amount are approved at management level which meets once a month.

C.Us : 1 to 3 weeks

2.17. Most frequent reason for turning down a loan request

Apart from the credit constraints the banks would commonly refuse loan request to those clients who are not customers of the bank ; who do not have any plausible financial records and those who do not show a commitment of putting their own funds in the business.

C.Us : insufficient guarantee and savings ; loan request for unqualifying purposes ; bad history of previous loan repayments, etc.

2.18. Percentage of loans on which problems occur (default, repayment delays, etc) and main reasons

Banks : 2 to 10 %

SOFIDE : approximately 50 %

C.Us : + 10 % (Not all of the C.Us have auditable and reliable records. This percentage could be higher.)

Defaults in repayments in SOFIDE's case is due to the exchange rate deterioration. Since 1976 there has been a steady decline of the Zaïre currency from $ 1 = 0.5 Zaïre to $ 1 = Zaïres 120. Those borrowers who have to repay the Dollar equivalent at the current rates have an astronomical if not impossible task.

Other reasons for non-payment :

- Certain clients are undisciplined and simply do not pay even if they have the resources. Others pay but take unauthorized extended credit and in so doing benefit as a result of inflation.

- In cases where the loans have been used for the acquisition of non-productive assets (houses, cars etc)repayment may be difficult because no new funds are generated.

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- Bad management and lack of experience ; funds have been genuinely lost.

- Dishonesty of customers. Once funds are received, the borrowers simply disappear.

- In the case of certain C.Us the non repayment are significant. The reason for the loss, however, is not considered bad credit management but rather dishonesty and embezzlement on the part of the main board members. In these instances unauthorized personal loans have been taken and no accounting records maintained in order to support the transaction movements.

2.19. Largest loan which can be made without necessitating head office approval

Banks : All loan requests are centralized in Kinshasa (One bank mentioned Z 200.000)

Development bank (SOFIDE) : All loan requests are transmitted to Kinshasa where decisions are collectively taken by management or the executive board of directors.

C.Us : Up to Z 50,000 at the basic credit union level. Amounts exceeding this are referred to the sub or board level ie the COOCEC or UCCEC level.

2.20. Comparison between deposits and loans (for all categories of customers) per branch

In overall terms the loans and deposits are kept more or less in balance. At the branches there are significatly less loans and more deposits. In Kinshasa (head office) the situation is contrary.

C.Us : They have generally more deposits than loans. (The Central Bank's recent instruction restricts lending in excess of 40 % of the deposits).

2.21. Recommended measures (financial, technical, legal, regulatory and others) to help the financial institutions in playing a more important role towards the SMBs.

Answers have varied here:

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Banks :

- Either have no suggestions or refuse to accept the fact that banks are doing very little towards the SMBs.

- Others believe that the State and other technical institutions (OPEZ/ANEZA) should provide technical and management help to the SMBs so that they develop a know- how to business and so that they become more creditworthy customers to the banks.

- Two of the banks mentioned that it is not their policy to deal with the SMBs. In their strategic plan they foresee no change in the economic environment and therefore do not expect to implement any change to their current policy.

3. ANALYSIS OF THE FINDINGS

3.1. General

Based on our interviews with the financial institutions' management staff, we were able to identify firstly the needs and types of project finance fo the SMBs and secondly the related constraints to lending hampering development in this sector.

The type of financing required, the economic environment under which business is operating and the economic factors affecting particularly the financial institutions are discussed hereunder.

3.2. Conditions and requirements for project finance

It is recognized that project finance is an important element influencing growth of the Small and Medium Businesses (SMBs) without minimizing the importance of management and technical assistance services whichare also required if only at the initial development stages.

From the credit front the needs can be split at two levels viz :

- need for routine operations (trade and working capital). ; and,

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- need for capital acquisition (property, plant and equipment).

The first need necessitates generally short term finance whereas the second requires longer term fund and equity.

The terms and conditions of the credit are very important. Borrowing on short term facilities for financing long term requirements could result in an unfavourable exposure of inappropriate matching of revenue and debt service requirements. At the inception stages of the project development, where the unit may be working below capacity, the revenue generated is not sufficient to absorb the entire overheads including the financial/borrowing costs. Nominal interest charges therefore appear high.

The availability of such funds is influenced by the general economic scene and other constraints related to monetary measures. These factors are discussed in the following paragraphs.

3.3. The financial and economic scene in Zaire

In order to enhance development it is necessary to invest and in order to invest, it is necessary to save since borrowing using external financing is not always possible. It is, however, not rational to save in a situation of galloping inflation and where the general interest rate is less than the rate of inflation. In such a situation saving by renouncing immediate utilizations results in a capital diminution in real terms. In such an inflationary situation it is difficult if not impossible to install and operate a money market system of any credence.

The current interest rates in Zaire were, at the time of the study, well below inflation and it was therefore more economical to borrow funds for operations even if the rate of return on the operations is below the rate of inflation. To be profitable in micro-economic terms it is sufficient if the rate of return on the investment is above the rate of interest ; in macro- economic terms, however, the capital of the business may well be regressing. Having an interest rate below inflation is not economically justifiable and has the effect of subsidizing operations which may not be profitable in real terms.

The negative rate of interest mentioned above was believed by some bankers to be a temporary quirk in the banking system. There were signs that the rate of inflation was beginning to fall and this should have, once again, resulted in the real rates of interest being positive.

The demand for credit well exceeds the available supply. Because of economic reasons mentioned above and coupled with a lack of confidence or risk uncertainty. companies as a priority will attempt to borrow in local currency rather than in foreign currency (exchange risk). The parent companies very often are reticent about making any foreign currency loans or injecting fresh capital because of the poor record of past earnings. Credit is relatively cheap and in the inflationary environment, enterprises prefer to borrow than use their own funds. Companies have therefore preferred legally or otherwise to transfer out dividends, royalties, technical assistance fees etc and preserve at group level funds which maintain the purchasing power. Such funds if transferred later could result in exchange losses at group level or alternatively, if any debt is denominated in foreign exchange, the repayment in Zaires would substantially increase because of exchange losses locally. Local credit is therefore highly sought after but remains in short supply because of monetary controls.

The monetary policy in force lacks coherennce and has a negative effect on the business operations in Zaire. One is not questioning the reasons for the budget deficit and the resultant effect on inflation. It is, however, regrettable that in order to contain inflation (provoked by the Government deficit) severe credit constraints have to be imposed which eventually have the negative effect of hampering the development of the productive sector of the economy.

Growth in the economic sector has been lethargic over a number of years in Zaire. The investment climate has not sufficiently appealed to the investors although the Government has offered certain concessions and incentives in its investment code. In the current economic climate it is recognized that donor financing and reschedulings are not enough. Private capital flows, especially in the form of direct investment by nationals and foreigners alike, is required. The fiscal and monetary measures also need stabilizing in order to give assurance to the investors as to the general direction in which the economy is heading.

It has to be recognized however that investors'confidence in the general economic and political medium-term outlook of a country is a crucial factor, before the attractiveness of financial and fiscal incentives developed by its Government are even considered. In the case of Zaire, this confidence, shattered during the "Zairianization" and "Radicalization" period of the early 70s, has never been fully recovered.

The broad economic and fiscal measures are not the subject of this report. The overall policy framework, however, is of importance to the entrepreneurs because it influences their decision making and has a bearing on the rate of development of the SMB's. The recommendations and suggestions discussed in this report towards

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developing the SMEs and the success thereof are dependent on the general economic climate and stability.

3.4. Commercial Banks

Following the IMF recommendations and its own commitment to control inflation, the Central Bank has imposed severe credit controls. These controls impact directly the level of operations and more importantly the services which the banks can render to the SMEs.

The banks cannot encourage savings because the interest rates they can afford to pay are well below the treasury bill rates offered by the Central Bank which additionally is free of corporate tax. Furthermore, of all the current deposits received (of those under 6 months) 47 % have to be blocked at the Central Bank free of interest. The commercial banks therefore have less liquidity at their disposal in order to generate profitable business. There is no interest for the banks in seeking long term funds from customers since they (the banks) can go into overdraft with the Central Bank using the "marché monétaire" facility at an interest cost of only 24 %. If clients deposits were taken long term the interest rates would certainly have to be over 24 % in order to encourage such depositors.

The "marché monétaire" facility acts in opposition to the reserve obligation requirements. The latter aims to control the liquidity in circulation whereas the former ("marché monétaire") further recycles liquidity back into the system and in so doing gives the Central Bank the unfair advantage of earning 24 % interest on such borrowings.

Concerning the monetary control measures, the policies have been volatile and subject to sudden changes. The reserve obligation percentages have changed from time to time and so has the composition of the balance sheet items entering into the reserve calculation. A very recent measure was the application of a 100 % Reserve Requirement which has to be applied to any Counterpart Funds held by the bank. Such funds can run into tens of millions of Zaires and banks will now be unable to pay interest on such funds. Such policy measures are erratic, lack coherence and force the banks and public indirectly to maintain short term horizons.

The lending constraints have resulted in commercial banks playing a negligible role towards the SMEs. The banks prefer to deal with their long standing corporate clients where more profitable foreign trade finance business is generated and where the risk factor is relatively low. This reasoning is economically defendable. Furthermore the administrative and management time at the level of the banks needed to cater for the SMEs makes it economically

uninteresting quite apart from their lack of technical expertise. In this context there is a lack of competition at the level of the banks and the efficiency and marketing policies of their staff are not being put to the full test or use.

Short term credits which come under the ceilings control account for 80 % of the banks total lending. Medium and long term credits which account for 20 % of the total bank lending, have to be covered by term deposits. For making term loans to the SMB, however, the Central Bank waives the necessity of maintaining term deposits. Such an exemption, however, does not particulary favour the SMB given that the banks out of prudent banking practice are unlikely to lend long without maintaining corresponding long term deposits.

The commercial banks can create certain short term credit facilities which are not affected by the credit control constraints:

- Opening letters of credit without provisions. In this instance the customer bears the exchange risk in that the rate of exchange to be applied will be at the maturity of the L.C. (Between opening and settlement of the L.C. there could be a significant deterioration in the rates). The bank also has the commitment/risk of ensuring it has the foreign exchange at the time of the maturity. This latter risk is becoming more pronounced and banks are hesitant at the moment to open confirmed L.C's without taking full margins and ensuring they have the available forex.

- Importing under consignment. Here the banks do not take margins and the goods are imported on the basis of the approved licences. The customer has the extended credit in that the goods are generally not paid for via the bank in local currency until the goods are taken out of bond. The bank has the moral obligation of finding the forex at this stage. Because of the shortage of forex, this practice is not widely used.

- Importing under trade financing programs (eg. C.I.P.). The customer benefiting from such a program facility does not put the local currency up front at the time of importing but has a specific schedule of repayment by tranches of up to 7 months.

The above methods can be categorized as short term credit reprieves granted to customers. The benefit availed to the SMB using such facilities are negligible.

In the present environment, the commercial banks are not performing the desirable functions of generating savings and directing them towards productive investments and the SMBs. The development banks and Credit Unions could play a more positive role in this regard.

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3.5. Development Banks

The development banks are not affected by the Government's monetary controls (credit ceilings ; reserve obligations ; foreign currency holding). They remain free therefore to lend to the SMBs and corporate clients as long as they have the available funds and on condition that the projects qualify for lending.

The BCA has particular problems in that it does not have sufficient funds and is unable to meet the needs of its customers. SOFIDE on the other hand has large resources of available funds (see annex to report).

A large number of the SOFIDE clients are in the SMB bracket and in value account for up to 58 % of the total lendings. This is in sharp contrast to the commercial banks. SOFIDE, however, suffers from a very high rate of default (clients either bankrupt or slow to pay). The reason for the high default rate is that the loans are designated in foreign currency and the repayments in Zaïres are calculated at the rates ruling at the time of repayment. With the Zaïre currency constantly devaluing, this has resulted in repayments which are beyond the capabilities of the borrowers.

It is interesting to note and fair to say that the SMBs have been attracted to SOFIDE only because the commercial banks are unable to provide any help to them. In economic terms SOFIDE is far less interesting a proposition than the commercial banks because of the very high effective and real interest costs of the former.

The Government has recognized this problem and as a means of reducing the effective cost, has abolished the application of the turnover tax (CCA - 18 %) on interest charges calculated on foreign currency loans. The Government is also studying the application of an exchange guarantee mechanism which will reduce the burden of exchange losses to the customers. In the proposed document, a fund will be set up funded by borrower fees, grants etc and will be used to off-set part of the exchange losses (50 % currently proposed). The concept of the guarantee fund and the application thereof is very much a new idea and at the planning board stage. The eventual application could take several months.

3.6. The Credit Unions (C.Us)

The C.Us have a potential for growth and could further greatly the development of the SMBs.

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The C.Us have a vast network in the rural areas and they provide the primary service needed by the population, that of savings. The savings are not necessarily long term and the individual deposits are relatively small. The members place so much importance on the safecustody of their savings and the area in which they operate that they are not really concerned that the interest rates are as low as 4 %. to 6 %, i.e. largely below inflation.

The C.Us focus their lendings to their members who fall very much in the lower size category of the SMBs. These are artisanal groups lacking sophistication and who are not yet industrialized. They are large in numbers, promising and very often employ as little as 10 - 20 persons (as apprentices). Such groups are unable to obtain any credit from the banking sector because amongst other lending constraints, they are unable to present any plausable security. They therefore work with minor borrowed funds (from family members or the C.Us) and for security can only present the traditional "family" or "community" guarantee.

The main setback of the C.Us is that the organization has not been given much credence at Government level and has been allowed to grow without any strict guidance and monitoring. As a result they do not have a strong management structure and administrative policies to ensure that they operate on an efficient basis. Several frauds and embezzlements have therefore been perpetrated by management in the meantime. This situation, however, is known to the Central Bank and steps are being taken to fundamentally change the organizational structure of the C.Us. Technical help is being rendered in part by the Canadians.
The change required, however, in organization, methods and controls etc is significant and could take a number of years to install. More donor help is required and more so at the technical and administrative level rather than pure financing for working capital purposes.

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	BCZ	BDP	UZB	BARCLAYS	GRINDLAYS	CITIBANK	BBK	BIAZ	BACAZ	SOFIBK	BCA	CADEZA
No of branches	21	38	15	2	0	0	17	2	0	1	1	67
Personnel	2.841	2.050	1.200	75	65	78	1.564	97	86	229	118	1.048
Total Assets (Z millions)	16.429	7.614	5.696	682	1.292	2.623	7.730	1.248	1.058	7.586	419	...
Capital + reserves (Z - millions)	1.563	661	746	60	87	208	1.354	141	90	688	130	
TERM DEPOSITS :												
- Short term	6.963	3.860	2.758	348	664	1.471	1.799	938	380	223	319	275
- Medium/long	817	605	55	10	76	-	341	-	8	5.390		
Total Deposits	7.780	4.465	2.813	358	740	1.471	2.140	938	388	5.613	319	275
LENDINGS :												
- Short term	2.284	1.677	988	83	71	305	2.954	99	137	5.945	24	117
- Medium term	946	69	185	2	6	-			82	-	21	-
Total Lendings	3.230	1.173	1.173	85	77	305	2.954	99	219	5.945	45	117
Ownership : - Group	26 %	-	42 %	100 %	100 %	90 %	-	100 %	100 %	-	-	-
- Government of Zaire	26 %	100 %	29 %	-	-	-	100 %	-	-	40 %	100 %	100 %
- Other	48 %	-	29 %	-	-	10 %	-	-	-	60 %	-	-

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31 DECEMBER 1986 - EXPRESSED IN MILLIONS OF ZAIRES

	BCZ	BDP	UZB	BARCLAYS	GRINDLAYS	CITIBANK	BIAZ
Cash and deposits	14.899	7.094	5.163	669	1.262	2.566	1.184
Property, Plant and equipment	1.530	520	533	13	29	57	63
	16.429	7.614	5.696	682	1.291	2.623	1.247
Deposit and liabilities	14.866	6.933	4.950	622	1.204	2.415	1.106
Capital and Reserves	1.452	618	647	8	11	1	52
Retained Earnings	111	63	99	52	76	207	89
	16.429	7.614	5.696	682	1.291	2.623	1.247
Net profit for year (after tax)	110	40	99	24	60	102	89
Gross Income	2.846	1.452	1.061	139	201	381	382
Ratios							
- Net profit / Gross income %	3.8	2.6	9.3	17.2	29.8	26.7	23.3
- Net Profit/Capital %	7.5	7.6	15.3	*	*	*	*
- Net profit/Capital Employed %	7.0	7.1	13.2	*	*	*	*
- Current Assets/Current liabilities	1.0	1.4	1.0	1.1	1.0	1.1	1.1

NB : Certain ratios have not been included in order not to render the figures meaningless. The distortions arise because certain banks have not revalued their fixed assets and accordingly their reserves are materially understated. Others that have revalued, have not all done so as of December 31, 1986. With the high inflation in the past years and with no uniform accounting policy in this regard (ie inflation accounting), any comparison of figures to assess relative performance becomes necessarily misleading.

CREDIT CEILINGS
(As of May 22, 1987)

		Zaires (millions)
Short term credit		12.041
Medium and long term credit		2.247
Total credit		14.288

Split between :

Credit "Repartis"		
Agriculture	3.026	
Manufacturing Industry	1.275	
Distribution	980	
Transport	272	
Other (including World Bank)	4.212	
		9.765
Credit "Non-répartis"		
Cotton, Fibres, Sugar + Agriculture	2.275	
Medium + long term	2.248	
		4.523
		14.288

N.B. : As from June 1987 the credits ("Repartis" and "Non-repartis") have been merged into one single ceiling (see page). Authorization is now not needed from the Central Bank for any type of lending. The commercial banks have to ensure, however, that 7 % and 5 % of their individual ceilings are used to finance agricultural and investment projects respectively.

THE CREDIT UNIONS

	CBZO/CPCL	COOCEC/CEAZ	COOCEC/CEZ
Number of Branches	34	36	29
- Kinshasa Region	(20)	(16)	(10)
- Other Regions	(14)	(20)	(19)
Employees	512	206	116
Saving Deposits	Z 626 millions	Z 167.520.248	Z 33.605.787 31/12/86
Total Assets	Z 685 millions	Z 154.911.901	?
Loans	Z 68.460.416	Z 13.147.309	Z 4.434.592
Interest on Deposits	6 %	6 %	3 %
Interest on loans	12 % to 42 %	15 %	5 % to 20 %
Loan Duration	15 months	12 months	12 months
% of upaid loans	5 - 10 %	70 % (?)	± 9 %
Uses of funds	- Trade 50 % - House repairs 40 %	Purchase of coffee and agricultural produce	Small trade

PARTICIPATION OF SOFIDE LENDING TO THE SMALL AND MEDIUM BUSINESSES

1970 - 1986

YEARS	NUMBER OF PROJECTS			TOTAL INTERVENTION (000 Z)		
	Total lending in number	SMB portion	%	Total value	SMB portion	%
1970	5	2	40	1.300	80	6,15
1971	18	9	50	5.580	655	11,71
1972	12	4	33	2.257	305	13,58
1973	19	10	52	4.562	1.211	26,55
1974	26	13	50	7.278	1.680	23,08
1975	24	14	58	5.010	890	17,77
1976	36	17	47	10.100	3.140	31,09
1977	51	33	65	22.017	8.091	36,75
1978	46	29	63	22.613	7.028	31,08
1979	64	45	79	51.664	22.338	43,24
1980	36	29	80	66.130	44.652	67,39
1981	47	40	85	134.873	52.211	38,71
1982	47	40	85	103.475	36.165	34,95
1983	59	43	73	416.007	170.102	40,89
1984	70	56	80	944.810	407.072	43,09
1985	75	67	89	1.589.897	703.372	44,24
1986	70	62	88	1.238.893	722.424	58
	705	513	72,7	4.626.466	2.181.416	47

CHAPTER 5: SURVEY OF THE TRAINING INSTITUTIONS

The research on the locally available training centers focused on those which might be able to answer the needs of small and middle size enterprises, SMEs for short, since they already provide technical or managerial training for the workers, employeees or middle and top managers in private firms and parastatals or in the Civil Service.

A number of the most highly regarded and best endowed, both financially and in qualified trainers, of these centers operate within large private and public companies such as ONATRA, GECAMINES - EXPLOITATION, SNCZ, REGIDESO, CHANIMETAL and so on. Usually they are not open to outsiders.

Other centers are specialized in training and recycling human resources and their programs and resources are designed and organized to serve the employed adult market at large. Our study is based on the latter category and, for those, we have documented the following as far as the information was made available:

- Organization;
- Type of training offered;
- Training methodology used;
- Clientele and admission criteria;
- Duration of the programs;
- Assistance from outside Agencies, and
- Financing.

The following eight institutions were researched with the objective of providing USAID with the information on their operations and some indications of their results and image:

- INPP;
- CEPETEDE;
- CADICEC;
- CIDEP;
- ISST;
- IZAM;
- CENACOF, and
- CPCZ.

1. INSTITUT NATIONAL DE PREPARATION PROFESSIONNELLE (INPP)

INPP is a parastatal which has been created in June 1962 by statutory order n° 206. However its activities have effectively started only in 1966 with the technical and financial assistance of the International Labour Office (ILO). It is worth noting that this assistance came to an end in 1972.

It is, by far, the largest and best funded (compulsory tax on salaries) of all the training institutions reviewed. It is known to provide an adequate service in training workers but is not highly regardéd with concerns the training of middle-managers.

INPP is a parastatal under the "Technical Tutelle" of the "Département du Travail et de la Prévoyance Sociale" (Labour Ministry). After independance, the initial objectives of INPP were centered on the training of skilled workers and of the supervisory staff (i.e. foremen) in order to replace departing expatriates by local staff in industrial companies.

Generally speaking, the mission of INPP is to contribute towards the development of local human resources and thus towards the achievement of the country's objectives of economic and social development.

Until 1972, the role played by INPP on the one hand and the National Education on the other hand were clearly distinct. The National Education had to train young people before they could enter the labour market, whereas INPP was in charge of the training of workers and administrative staff already employed.

The distinction of roles between the National Education and INPP is now in question since the technical schools, whose functionning costs more than classical schools, are not sufficiently developed to meet all the needs.

For this reason, INPP now goes far beyond its traditional framework of intervention for the benefit of workers and employees and takes charges of the training of young and jobless people in manual disciplines.

Finally, it is interesting to point out that the law specifies that INPP has no monopoly in recycling the staff of companies in Zaïre but that it has the right to control the quality of the training given by companies themselves and eventually by other private institutions.

INPP is financed through a tax that all companies, public or

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private, have to pay. This tax is proportional to the salary cost of the enterprises.

INPP offers training in five cities. The Regional Direction of Kinshasa whose offices are on the 6ème rue at Limete, was opened in 1966. The Direction of Boma in 1969, the one of Lubumbashi in 1971 and the one of Kisangani in 1973. The agency of Bukavu was established in 1981.

There is a plan to establish INPP training Centres in the other regions of the country but their creation and their opening are still conditioned by the financial possibilities of INPP. For the time being, no precise timetable can be given for those new openings.

1.1. Organization

The organizational structure of training at INPP is divided into two main elements.

The actual teaching is carried-out by the Regional Directions of Kinshasa, Boma, Lubumbashi and Kisangani and the branch of Bukavu. These are supervised by the "Direction Technique".

The programs design, the methodology and the teaching methods and some research are the responsibility of the "Direction des Etudes" at headquarters.

Some data on the number of trainees of the four Regional Directions and of the Agency of Bukavu are displayed in pages 113 to 116.

There is no need of any particular comments on the organizational structure. However these figures demonstrates that the overhead in general, and particularly the number of teachers, is very high compared to the actual training activities performed and the efficiency of the overall organization does not rank very high. A full 60 % of the budget of INPP is used outside teaching. These are detailed and commented hereafter.

For instance, one might notice that some Regional Directions have teaching sections fully staffed though they did not give any teaching in that speciality, at least in 1986. It is the case of the Regional Direction of Kinshasa with the electrotechnic service. The same Direction, and the Direction of Kisangani, are noticeable by having a Training Methodology Unit with two people each, whereas in the other Directions this activity is organized and supervised by the teachers themselves, each trainer in his speciality and in any case, this service is redundant with the Direction of Studies at headquarters.

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Finally, one can notice the importance of the personnel of the Administrative and Financial Departments compared to the teaching staff. The ratio of the administrative staff with regards to the total staff reads as follows : 24 % for Kinshasa (although it is located near headquarters), 41 % for Boma, 37 % for Lubumbashi, 51 % for Kisangani and 50 % for Bukavu, or a total of 107 people out of 311 employees in the Regional Directions and at the Agency of Bukavu.

Those percentages are the more high since almost all the administrative and financial operations are done at headquarters which itself has an important administrative staff of about 194 people (including the General Direction, Internal Audit, the Administrative and Financial Direction and the Direction of External Relations, but excluding the 23 people of the Direction of Studies).

Given the fact that the salaries represent about 70 % of INPP expenses, the overhead seems out of all proportion compared to the resources directly allocated to teaching.

The Direction of Studies is organized in 4 services:

- Department of Planning:
  Its main assignment is to ensure external contacts with other training institutions in Zaïre and in Africa in general. The aim is to gather relevant information on the evolution of the teaching given by those institutions and to analyse the benefits that INPP could draw from their experience or from an eventual collaboration. This Department includes 6 people, which seems very high for the type of work to be done, especially as a great many contacts are already taken care of at the level of the Direction.

  Moreover we were able to notice that the existing documentation in the Direction of Studies on courses taught by other zairean institutions (Centres of Training of public companies such as the Gécamines or ONATRA, for example) or by foreign ones was almost non existent except for a huge collection of technical files from the Centre Inter-Africain pour le Développement de la Formation (CIADFOR) in Abidjan.

  The exchanges of educational documents seems to be very limited.

- Department of Methodology and Programmes:
  It is composed of five people and is in charge of designing and adapting teaching methods and programmes. Besides, it must ensure the follow-up of educational services of Regional Directions and the retraining of INPP teachers. If this Department carried out its mission completly the number of the staff would seem reasonable, however one can notice

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that during these last years only the Executive Secretaries' training programme of has been remodelled. The Direction of Studies has other planned projects: in-service training, to make the psychology services more dynamic, training programs in electronics and electricity with Japanese assistance and training in general mechanics with Italian assistance. However, the activities have not really starded yet.

As for the actions of adapting the programmes to companies within which an integrated training has been planned, they are ensured by the staff or Regional Directions themselves.

Finally, we were told that this Department did not carry out any systematic retraining actions of INPP teachers at regular intervals (for example once a year). Only new teachers are trained to educational methods of INPP.

Thus, it appears that the actual production of the staff of this department is far below the organization's needs. In fact the majority of courses taught at INPP are adaptations from AFPA programmes realized during the early 1970's, or are old programmes designed with BIT experts' assistance between 1966 and 1972.

- Department of Labour Psychology:
  It is in charge of supervising the psychology services of the Regional Directions and of adapting and carrying out employment tests for the benefit of companies. This Department is composed of five agents.

  We could not obtain information about the number of companies which have actually asked for this Department'services.

  Moreover, the supervision of the regional psychology services seems to be limited by logistic problems (transportation). Given available information, it is difficult to give one's opinion on the productive capacity of that Department's agents and on the extent to which its mission is realized.

- Department of Technical Studies:
  It has two agents and is in charge of all new training projects sponsored by international cooperation agencies (Japanese or Italian projects, for example). It is also in charge of the assistance to companies in the creation of internal training centres. The actual activities conducted in the framework of the second mission of this Department seem very limited. For instance Gécamines created between 1981 and 1984 an important training centre for its workers and managers with the collaboration of Canadian experts without associating INPP and particularly its Department of

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Technical Studies. It does not even have any information on the organization of that Centre, its activities, its realizations and has no copies of the numerous educational documents designed and used.

In addition to the above mentionned main tasks, the Direction of Studies undertakes, at the request of the General Direction, studies concerning the internal administration of INPP and is responsible for the management of the library and of the archives.

For lack of organization and of budget, the last point seems to be neglected and the available documentation at INPP is extremely limited and obsolete. The existing information is hardly accessible for lack of filing equipment and procedures, of indexing and of follow-up of books and documents lent and given back. It is worth noting that an assistance of CIADFOR has been planned in order to reorganize that service.

Finally, it is important to point out that the Direction of Studies does not play any official role in the control of the quality of the teaching staff of Regional Directions. This falls within the competence of the Technical Direction which supervises them directly. This his organization entails potential risks of "interest conflicts", that Direction being at the same time judge and jury in that matter.

In conclusion, it seems that the number of 23 agents of that Direction is supernumerary compared to its real activities, although the task to carry out is immense. With the available staff, that Direction could undertake many more activities and complete successfully a lot more effective realizations than it does at the moment.

1.2. Training offered

The training offered by INPP is of two kinds : integrated and external.

It is said to be integrated when it is carried out within the premises of the companies whose personnel is trained by INPP. This kind of training reserves 20 % of the total duration of the program to theoretical courses and 80 % to practical training supervised by INPP teachers at the trainees' place of work.

It is said to be external when the whole teaching programme, including practical tasks, take place in INPP premises.

In view of the mission of INPP, we can distinguish two kinds of potential needs to be met. On the one hand, new needs (of the

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macro-economic type) stemming from the evolution of the labour market in Zaïre and from the introduction or the development of new jobs because, for example, of the establishment of companies in new industrial areas (chemistry, iron and steel industry) or else the appearance of new technology (computers). On the other hand, already existing general or specialized needs (of the micro-economic type) specific to a company or a category of existing companies. In this category we find, for instance, the retraining of a category of workers in an existing craft in order to improve their productive capacity, or the introduction in the company, of a new production technique (for instance, arc-welding).

INPP does not use any formal method to identify the new developing needs which would allow it to get ready in advance in order to meet the requirements of the labour market. The only existing document on which to base a prospective analysis of the training needs in the medium and long term is the five-year plan of the Republic of Zaïre which determines the main economic development orientations and in particular industriel development in Zaïre. However, even then its data are not subject to any analysis at the level of the potential impact on the training needs to be met in the future by the services of INPP.

An attempt of collaboration between INPP and the ANEZA in the definition of training needs in the long-term according to the evolution of the labour market in Zaïre did not end up producing any pratcical results.

The lack of training program planning in the medium and long term by INPP is reflected in the absence of new courses taught since the development of training courses in management started at the beginning of the 1970's. The range of courses taught not only is not diversified enough, especially at the technical level, but it has not changed since the creation of INPP.

The lack of formal mechanism to identify new labour market needs risks to lead to a certain inadequacy between the real needs of the employers and the possibility of training offered by INPP. One might think, for example, of the need to teach the new computer programming languages (Pascal, Language "C") which more and more replace, in the rest of the world, the older ones (PL 1, Fortran, Cobol).

As regards the existing training needs, it is necessary to distinguish between the needs which are common to a category of companies (for instance recycling Executive Secretary or metal workers) and the specific needs of a unique company that wishes to recycle part of its personnel according to its specific requirements (specific type of machinery recently purchased or loss of productivity for instance).

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There again for the first category, there is no formal mechanism which would allow INPP to keep up to date, at regular intervals, with the requirements of existing companies. INPP does not carry out systematic investigations of its affiliated members. The existence of a questionnaire designed to that effect might well exist, but we have been unable to get a copy either at the Direction of Studies nor at the Technical Direction. In any case, it is not used.

Only when the feed-back of a large number of client companies is negative does some analysis of the adequacy of INPP training programs seems to be carried out. However, given the low number of companies that have benefitted from INPP services during the last three years (see chart above, and the relatively limited number of contacts between the Technical Direction and the employers (about 30 per year according to that Direction), INPP runs the risk of not being informed, or of being informed too late of the needs in changing its teaching (content and methods).

The Direction of Studies should probably look into the problem that could explain the low number of companies that have recourse to INPP services and the relatively important drop of integrated actions in the total of training.

With regards the specific training needs of the affiliated companies, the contacts are generally made at the companies' initiative, in a lesser number of cases at INPP's, either through supervisors and teachers of integrated training who discover new training needs, or by courtesy visits that the Technical Direction, or Regional Directions sometimes make.

In a small number of cases, that analysis of specific needs leads to the design of a new program by INPP.

Sometimes INPP attempts to group companies which have similar needs in order to maximize training activities, on the level of content as well as on the logistic one.

There is no formal mechanism for the setting of priorities of actions at the level of INPP between the different type of applicants. According to the Direction of Studies, INPP tends to make its decision on the basis of the size of the applicant company and whishes that youngsters and unemployed do not exceed 25 % of the total number of people it trains. In practice this figure is higher given the relative constant increase of the jobless compared to workers and employees trained.

1.3. Mechanism used for program design

As said above, INPP has initiated very few new general programs during the last years. Most of the programmes taught at present are composed of courses designed in the 1960's with BIT experts, or adapted in the 1970' from courses circulated by the AFPA.

Since then very few new educational material has been designed, except the training programme of Executive Secretaries, already mentioned, which was subject to a significative revision by the Direction of Studies following comments from employers.

It is the responsibility of the Direction of Studies at headquarters to design new programs but Regional Directions can also contribute to it.

As regards the methodology used for common program design, the actions undertaken with the assistance of the ILO and the adaption of the AFPA programs are too ancient to represent the methods now used by INPP.

As far as integrated teaching is concerned the responsibility to design the courses modules specifically adapted to the needs of the company in which this integrated training is going to take place belongs to the Regional Directions.

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The mechanism used is standard and consists in the following steps.

- The Technical Manager or more generally his assistant goes to the applicant company in order to define exactly what the needs are.

  He talks with the concerned managers and the workers or employees to be trained in order to identify existing problems, the number of people to train, the objectives pursued, the available resources, etc. This step can last 2 or 3 days.

- According to that analysis, INPP gives the Head of the teaching department concerned (mechanics, for instance) the responsibility to carry out a preliminary survey in the company. This survey aims at gathering the purely technical data which are necessary to design the integrated programme specifically adapted to the needs of the company in which it is to take place. Relevant modules are then developed or adapted from existing programs.

- That preliminary survey is presented and discussed with the INPP's "Committee of Methods" which meets first to examine whether the action can be undertaken and then to control the quality of the courses which have been designed to meet the company's request.

- According to the decision taken by the Committee, a training contract (including the terms of reference and objectives) is then prepared and, if the company agrees with its content, the training action can start.

The design of an integrated programme usually lasts from 10 to 15 days since the technical services work essentially on basis of existing material. For this reason, INPP is able to answer, within a delay of about three weeks, to a request for training assistance introduced by a local company.

According to the Technical Direction, an integrated action lasts around 3 months at the rate of 2 to 4 teaching hours a day and the rest in practical follow-up. An external action (traditional program taught at INPP) lasts from 6 to 9 months. The students attend on a full-time basis from Monday to Friday, during opening hours.

No evening classes which would allow a whole category of workers and employees to improve themselves outside their working hours are organized by INPP. Apparently, transportation and security

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are the major constraints which prevent the Institution to offer this service.

Finally, training by correspondance has been abandoned after an unsuccessful try because of communication problems between the INPP and its students scattered on a vast territory.

1.4. Characteristics and evolution of the teaching methods

As regards the pedagogic methods, they have remained very traditional and consists in theoretical lectures and practical works which follows the model used some time ago by the AFPA to train adults (active and participative methods).

Although we were told that some original educational techniques and yeaching material had been developed by INPP'staff such as, for instance, the use of case studies or "role-playing games" for the training of managers, we have been unable to find any trace of the relevant documentation.

Audio-visual methods are not used although the "Fonds Européen de Développement" gave INPP the necessary equipment several years ago. That donation concerned only projection material and INPP has not yet purchased any training video-cassettes although there is a vast choice of these, at a very reasonable price, on the international market. It must be noticed that INPP does not make budgetary provision for the purchase of that type of educational material, not even for general documentation.

INPP wishes to produce its own audio-visual documents and seems to wait for an external assistance (USAID) which would allow to equip a video laboratory in order to benefit from the already acquired projection equipment. Meanwhile it is totally unused. The only audio-visual aids which are now used consist in transparencies produced locally and used with overhead projectors.

The permanent INPP teachers, are not regularly recycled. Only newly hired teachers go through a short seminar to familiarize them with the training methods and material used at INPP. However it must be pointed out that the low rate of the rotation of the personnel coupled with the fact that methods do not change very much, do not make recycling a high priority as long as the quality of the teaching given by each lecturer is regularly assessed. If there is no systematic internal recycling, some INPP lecturers have been sent abroad for training in the context of international assistance projects.

In 1985, 30 teachers went to Turin in Italy to be trained in job classification. In 1986, 5 teachers went to Japan in the framework of automobile mechanic programme linked to the equipment

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donation planned by that country. In 1987, it is planned that 12 people will go to Milan, in the framework of a similar assistance by Italy, to be retrained in general and agricultural maintenance mechanics. Those retraining periods can last from 3 to 6 months. INPP expects also a positive impact from the development of contacts and exchanges of experiences with other african training institutions such as the "Centre-Africain pour le Développement de la Formation" (CIADFOR) in Abidjan and "l'Association des Institutions de Formation et de Perfectionnement en Management d'Afrique Francophone" (AIMAF) recently created in Ivory Coast. However, the contacts between CIADFOR and INPP which go back to 1978 do not seem to have yielded much concrete results, neither in terms of program content, nor with regards the training methods and teaching material used by INPP.

Some teachers of technical courses are sometimes sent in companies that introduce technological novelties. INPP also maintains informal contacts with other public or private Zairian training institutions for adults such as the "Centre de Perfectionnement aux Techniques du Développement" (CEPETEDE), the "Institut Zaïrois de Management" (IZAM), the Centre Inter-Disciplinaire pour le Développement de l'Education Permanente" (CIDEP), the "Centre Inter-Disciplinaire pour le Développement de l'Education Permanente" (CIDEP), the "Centre National de Coordination de la Formation au Développement" (CENACOF) or the "Centre de Promotion en Management et Développement" (CEPROMAD).

The contribution of those informal contacts to the distribution of roles (in order to avoid duplication) and to the improvement of programs and of educational methods is difficult to assess but it does not seem to be very high.

The law stipulates that INPP has no monopoly in recycling Zairian companies' employees and managers, but that it gives it the right to control the quality of the training given by companies themselves and by other private institutions.

1.5. Quality control mechanism

The Technical Direction has a team of technical inspectors who have the responsibility of controlling the quality of INPP's teaching. As already mentioned, this might present the risk of "conflicts of interest", in the sense that the same Direction which is responsible for carrying-out the teaching activities is also responsible for the evaluation of their quality.

Apart from the individual evaluation realized at the end of the training program, there is no formal mechanism to appreciate, after several months, the real impact of INPP's teaching in terms of

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productivity improvement or quality of the work performed by the staff trained at INPP.

If such a mechanism is extremely difficult to implement for the unemployed (it would nevertheless be useful to know if the INPP training certificate helped these students integrate the labour market), it is not the same for workers and employees. An evaluation questionnaire could systematically be sent to their employer after a period of 3, 6 or 9 months, in order to ask them if the trained staff has really displayed new abilities and if the training has been efficient. But that survey, although crucial for any training institution is not carried out in a formal way and we have not been able to discover any trace of a questionnaire for that purpose though we had been told it used to exist.

This presents the danger of believing that everything is all right for lack of comments, while their lack would denote that employers lose interest in the kind of training offered by INPP. Consequentely, corrective measures would not be taken in time. The small number of companies, though affiliated and paying for the service, which have recourse to INPP and the decrease of the percentage of integrated actions are disturbing elements that should prompt INPP to launch an operation to assess the pertinence and the quality of its training actions. Companies and organizations which are compelled to pay, through the tax, for INPP's operations have the right to expect a satisfactory service.

1.6. Analysis of INPP's training activities

The information that was available at the moment of our mission on training activities undertaken by INPP during the last three years has been synthetized in the four following tables. An analysis of these data has been done and is displayed in the following sections of comments.

TABLE 1

GENERAL EVOLUTION OF THE INPP TRAINING ACTIVITY

(The figures of 1986 have been extrapolated on 12 months from the available figures)

	1984		1985		1986		Growth
	Nber	%	Nber	%	Nber	%	in %
Integrated actions	60	44.0	124	51.0	68	33.0	+ 13.3
External action	78	56.0	118	49.0	137	67.0	+ 75.6
TOTAL OF ACTIONS	138	100.0	242	100.0	205	100.0	+ 48.5

	Quant/Value	Quant/Value	Quant/Value	% of growth
Number trained	2,244	3,414	3,738	+ 66.0
Teaching hours	35,082	47,410	50,532	+ 44.0
Number of teachers	151	151	163	+ 8.0
Number of companies and institutions served (without internal actions at the INPP)	65	82	109	+ 67,7

	1984	1985	1986	% of growth
Total expenses	Not available	Not available	Not available	Not av.
Number trained/ teacher	14.8	22.6	22.9	+ 55.0
Number trained/ training action	16.3	14.1	18.2	+ 11.6
Teaching hours/ teacher	232	313	310	+ 33.0
Cost per training action	Not available	Not available	870,730	Not avail.
Cost per trained person	Not available	Not available	47,752	Not avail.

TABLE 2

COMPARISON OF ACTIVITIES BETWEEN REGIONAL DIRECTIONS

1986

(Extrapolation of figures available on 12 months)

	Kinshasa	Boma	L'shi	Kinsagani	Bukavu	Total
Training actions	45.3 %	10.7 %	28.8 %	7.3 %	7.9 %	100.0 %
Integrated	4.3 %	2.9 %	67.9 %	11.7 %	13.2 %	100.0 %
External	65.7 %	14.6 %	9.5 %	5.1 %	5.1 %	100.0 %
Number of teachers	51.0 %	16.5 %	22.0 %	7.4 %	3.1 %	100.0 %
Number trained	52.6 %	13.0 %	20.4 %	7.1 %	6.9 %	100.0 %
Teaching hours	57.2 %	12.4 %	12.1 %	14.5 %	3.8 %	100.0 %
Direct expenses	41.5 %	16.8 %	20.9 %	15.7 %	5.1 %	100.0 %
RATIOS	Kinshasa	Boma	L'shi	Kisangani	Bukavu	Average
Hours taught/teacher	348	232	168	612	379	347
Integrated actions/ Total actions	3.2 %	9.0 %	78.0 %	53.3 %	56.2 %	39.9 %
Direct cost/ Training actions	Z 215.268	Z 368.454	Z 170.813	Z 505.733	Z 153.125	Z 252.084
Direct cost/ trained person	Z 10.172	Z 16.713	Z 13.225	Z 28.626	Z 9.496	Z 15.616
Number or companies and institutions served (real figures for 1986, without internal training at the INPP)	44	13	13	23	14	21

TABLE 3

EVOLUTION OF TRAINING ACTIVITIES AND DISTRIBUTION BY BUDGECT
(The figures of 1986 are real figures on 30/09/1986)

SUBJECT	TRAINING ACTION						GROWTH	NUMBER TRAINED						GROWTH
	1984		1985		1986		1984-1986	1984		1985		1986		1984-1986
	Nber	%	Nber	%	Nber	%	%	Nber	%	Nber	%	Nber	%	%
Commerce & Administration	33	21.7	43	17.8	47	30.5	+ 56.6	613	27.3	767	22.5	966	34.5	+ 57.6
Small and medium enterprises	0	0.0	1	0.4	1	0.0	-	0	0.0	90	2.6	93	3.3	-
Managers' training	15	10.8	21	8.7	9	5.8	- 40.0	222	9.9	355	10.4	276	9.8	+ 24.3
S/Total : Administration-Management	45	32.5	65	26.9	57	37	+ 26.6	835	37.2	1.212	35.5	1.335	47.6	+ 59.9
General mechanics	19	13.7	32	13.2	19	12.3	Constant	279	12.4	426	12.5	315	11.2	+ 12.9
Motorization	22	16.0	51	21.1	11	7.1	- 50.0	223	9.9	707	20.7	193	6.9	- 13.4
Electrotechnics	21	15.2	36					292	13.0	543	15.9	333	11.9	+ 14.0
Electronics	4	2.9	12	4.9	9	5.9	+ 225.0	116	5.1	245	7.2	141	5.0	+ 21.5
General building & construction	5	3.6	6	2.5	6	3.9	+ 20.0	27	1.2	70	2.0	49	1.7	+ 81.4
Metal working & Welding	3	2.2	9	3.8	6	3.9	+ 200.0	26	1.1	53	1.6	72	2.6	277.0
S/Total Technical jobs								963	42.7	2.044	59.9	1.103	39.3	+ 14.5
Education-training	10	7.2	13	5.4	10	6.5	Constant	151	6.7	78	2.3	92	3.3	- 39.0
Advising and professional selection	8	6.0	8	3.3	7	4.6	- 12.5	45	2.0	29	0.8	57	2.0	+ 26.6
Other trainings	1	0.7	10	4.1	5	3.2	+ 400.0	250	11.4	51	1.5	217	7.8	- 13.2
S/Total Miscellaneous	19	13.9	31	12.8	22	14.3	+ 15.8	446	20.1	158	4.6	366	13.1	- 18.0
GRAND TOTAL	138	100.0	242	100.0	154	100.0	+ 11.6	2.244	100.0	3.414	100.0	2.804	100.0	+ 24.9

TABLE 4

DISTRIBUTION OF TRAINING ACTIVITIES BY SUBJECT AND BY REGIONS

(Real figures on 30/09/1986)

TRAINING ACTIONS

SUBJECTS	Kinshasa		Boma		L'shi		Kisangani		Bukavu		Total	
	Nber	%	Nber	%	Nber	%	Nber	%	Nber	%	Nber	%
Commerce & Administration	515	34.9	92	25.3	102	17.9	162	81.4	95	49.0	466	34.5
Small and medium companies	93	6.3	0	0.0	0	0.0	0	0.0	0	0.0	93	3.3
Managers' training	17	1.1	21	58	238	41.7	0	0.0	0	0.0	276	9.8
S/Total/Administration-Management	625	42.3	113	31.1	340	59.6	162	81.4	95	49.0	1.335	47.6
General mechanics	235	15.9	5	1.4	44	7.7	14	7.0	17	8.8	315	11.2
Motorization	105	7.1	3	0.8	16	2.8	8	4.0	61	31.4	193	6.9
Electromechanics	266	18.0	18	4.9	28	4.9	0	0.0	21	10.8	333	11.9
Electronics	141	9.6	0	0.0	0	0.0	0	0.0	0	0.0	141	5.0
Building and general construction	49	3.3	0	0.0	0	0.0	0	0.0	0	0.0	49	1.7
Metal working jobs & Welding	43	2.9	0	0.0	29	5.1	0	0.0	0	0.0	72	2.6
S/Total/Technical jobs	839	56.8	26	7.1	117	20.5	22	11.0	99	51.0	1.103	39.3
Education-training	0	0.0	12	3.3	76	13.3	4	2.0	0	0.0	92	3.3
Advising and professional selection	12	0.9	0	0.0	34	5.9	11	5.6	0	0.0	57	2.0
Other trainings	0	0.0	213	58.5	4	0.7	0	0.0	0	0.0	217	7.8
S/Total/Miscellaneous	12	0.9	225	61.8	114	19.9	15	7.6	0	0.0	366	13.1
GRAND TOTAL	1.476	100.0	374	100.0	571	100.0	2.804	100.0	194	100.0	2.8[illegible]	100.0
% of the TOTAL OF REGIONS		52.6		13.0		20.3		7.1		7.0		100.0

1.6.1. Evolution of the type of training

The percentage of integrated actions, i.e. the specific training given within an individual company or institution's premises (on-the-job training), is low about one-third of the total while the objective of the technical direction would be to realize at least 60 % of that kind of teaching since it believes it is the most profitable for the trainees.

The share of integrated actions compared to the total of training actions carried by INPP has dramatically decreased between 1984 and 1986, from 44 % of the total in 1984 to 33 % in 1986.

There has been a growth of each category of training activities since INPP conducted 48 % more actions in 1986 than in 1984 (205 against 138) but integrated actions have increased by only 13 % (from 50 to 58) whereas external actions have increased by 76 % (from 78 to 137).

One Regional Direction, the "Direction Régionale de Lubumbashi", represented alone more than 70 % of all the integrated training actions of INPP while the "Direction de Kinshasa", the largest, had only 4 %.

This tends to show that the contacts of INPP with companies are not developed enough. The average yearly number of companies and institutions that have benefited from INPP'services over the past 3 years is only 85, which represents approximately 1,2 % of the total of companies which pay contributions.

This unfavorable trend puts INPP at risk of slowly infringe on the mandate of the more traditional training institutions, such as those which are dependent on the National Education Ministry, and for that reason, of going away from its original mission which stressed the training and recycling of workers, employees and middle-managers rather than the education of the young, or unemployed people.

1.6.2. Teachers'productivity

hours taught by a teacher during one year are very few: 310 hours on average (extrapolation on 12 months of available figures, i.e. until 30/9/86). Even if one takes into account that a teacher has to reserve part of his time for the preparation of his lesson and for administrative tasks, that figure, though it has increased by 50 % between 1984 and 1986 (up from 232 teaching hours per year), remains far below the standards of the profession. Moreover, as the content of almost all the courses has remained the same year after year, the time imparted to preparation should decrease in accordance with the the teachers' learning curve.

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If a minimum of 1,600 hours (200 days of 8 hours) are available per year, allowing for holidays, illnesses, public holidays, at least half or at the minimum one-third could be devoted to the teaching itself. This would represent about 530 hours per year or an increase of 53 % compared to the present figure. At least in one direction (Kisangani), teachers teach an average of 612 hours per year which is nearer to the standards of the profession.

1.6.3. Number of persons trained

INPP had trained only 3738 people (extrapolated figures) in 1986 compared to 2,244 in 1984. Although this represents an increase of 63 % in 3 years, those figures remain very low compared to the potential market and to the immense needs.

INPP had a ratio of only 18 registered students per teacher in 1986. Although small classes contribute to the teaching quality by enabling each teacher to supervise his students better, those figures are annual and the percentage of integrated actions, which obviously tend to decrease the ratio, was very small in several regions. This ratio could be improved without INPP reaching the limit from which crowded classes could lead to the deterioration of the quality of the training.

With the same teaching staff, it would probably be possible to to train more people or, at least, to conduct more integrated training for the benefit of the same number of people.

The increase of 12 % of that ratio over the past 3 years is not really significative as it can very well have been caused by the decrease by a similar value (11 %) of the percentage of the integrated actions.

1.6.4. Number of companies benefitting from training actions

As far as the number of companies and institutions which benefitted from training services of INPP is concerned, the situation is also disturbing. Indeed, only 109 companies and institutions in the whole country had their workers and employees recycled in 1986. The increase from 65 companies and institutions in 1984 is important, because it represents nearly 68 %, but the absolute figure remains very low compared to the number of affiliated companies, about 7,000.

Only 1.5 % of companies and institutions of the potential market have benefitted from INPP services in 1986. Without justifying it in no way, this figure might explain the difference between the companies who actually pay their dues and those who are affiliated. Indeed, companies and institutions may have some reasons

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to believe that they are far from benefitting from the service for which they are legally obliged to pay.

1.6.5. Distribution of the training actions

It is possible to notice an evolution in the distribution of training activities carried out by INPP, but for lack of precise need analysis, it is difficult to evaluate its relevance.

Training actions in the field of administration and management have increased from 32 % to 37 % of the total of actions carried out between 1984 and 1986, while technical training actions have decreased, in relative terms from 54 % to 49 %.

The 2 types of training have increased in absolute value but the actions in the technical field have increased of only 1,3 % while those in the administrative field have increased of 27 % over the past 3 years. At the same time, the number of trained people compared to the total has increased from 37 to 48 % for actions in the administrative field, whereas it decreased from 43 % to 39 % in the technical domain.

Again the absolute number of trained people increased in the two type of training but the number in the technical domain has increased less (+ 14.5 %) than the one in the administrative domain (+ 60 %) in the 3 years considered.

It would be important to analyze the real causes of that evolution and to ascertain that it corresponds to the needs of companies rather than to the internal policy of the INPP's teaching staff, or to the Institution's financial problems. Indeed one could consider management training as "more noble" than manual jobs technical training or else the lack of financial and technical resources and equipment (for instance tools) could restrict INPP to a type of teaching which isless costly and easier to organize.

1.7. Financing

The direct cost, including the salary of regional directions staff, stood at an average Z 252,000 per training action or Z 15,600 per trainee in 1986. If we add the overhead and headquarters expenses to those direct costs the figure jumps to Z 871,000 per training action and Z 47,000 per trainee, which is very high.

Administrative expenses contribute to an increase of 300 % to the cost of training which seems excessive.

Indeed, if we admit that the average monthly salary of a worker or employee, categories which represent, outside young people

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and the unemployed, the majority of people trained by INPP, was about Z 4,000 in 1986, we notice that expenses devoted to training or to recycling one person is almost equivalent to a full year of salary. Consequentely, one can question the relevance and social profitability of INPP actions towards the young and unemployed. With the same financial resources, a full year job could be made available to a large number of people at no cost to companies.

1.8. Comments on the activities and realizations of each direction

1.8.1. Regional Direction of Kinshasa

With 61 % of the total teachers of INPP, the Regional Direction of Kinshasa carries out only 45 % of the training actions, trains 32.5 % of the total number of students and uses 57 % of the teaching hours' total.

Only 1476 people have been trained and only 44 institutions and companies have benefitted from INPP' services in 9 months of activity in 1986. Those figures are low compared to the importance of the labour market and of the needs of the region of Kinshasa.

Moreover, the Direction of Kinshasa has organized only 2 integrated actions, or only 3 % of the total (70 on 30/09/1986).

Consequentely, this Direction should make more efforts in order to serve the companies of Kinshasa and to make sure that it meets their training/retraining needs.

The direct cost of a training action carried out by the Direction of Kinshasa is Z 215,000 or Z 10,000 per trained person which is slightly lower than INPP average. Even if those figures seem favourable, they are still to be compared to the very small number of integrated actions, which are more expensive than external actions, and can thus hide a less favourable financial performance. Unfortunately, the lack of cost accounting makes it impossible to draw any conclusion on that subject.

The Regional Direction of Kinshasa distributes its training actions between administration and management (41 %, or 625 trained people) and technical training (57 %, or 839 trained people).

It must be pointed out that the Direction of Kinshasa represents 75 % of INPP's total number of training actions in general mechanics, 55 % in motorization, 80 % in electrotechnics, 60 % in metal-working and welding and 100 % in electronics and in building and construction.

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It is the only one to offer a management training course for the small and medium-sized enterprises' managers. This course has so far met with limited success.

1.8.2. Regional Direction of Boma

With 16,5 % of INPP's available teachers, the Regional Direction of Boma trains only 13 % of the total number of trainees and teaches only 12,5 % of teaching hours. In addition, it carries out only 11 % of the total of INPP training actions.

In 1986, that direction trained only 364 people and served only 13 companies and institutions of its region.

Hours taught annually per teacher stood at 232 hours in 1986, which is far under INPP's average of 347 hours, which is already very low.

Moreover, only 9 % of its actions are integrated and only 7 % of the total number of trained people have been trained in technical jobs, or 25 people only. No training has been given in electronics, building and construction or in metal-working.

A training action at the Regional Direction of Boma has a direct cost of Z 368,000, which represents Z 16,700 per trained person. This is higher than INPP's average.

These data and ratios show that the productivity and the profitability of that direction are very low and that it probably does not contribute as much as it should, and probably could, to the attainment of the goals assigned to INPP.

1.8.3. Regional Direction of Lubumbashi

With 22 % of the available teachers, the Regional Direction of Lubumbashi has trained only 20,5 % of the total number of students and has taught only 12 % of the teaching hours of INPP.

That Direction has the lowest number of teaching hours given per year and per teacher, with 168 hours.

On the bright side, integrated actions represent 78 % of the training actions of that direction which is an excellent performance. Alone, it carries out nearly 70 % of all the integrated actions of INPP.

The figure of 13 institutions and companies which have benefitted from its actions in 1986 tends to prove that it reserves its services to "big" clients. Perhaps the importance of integrated actions can account for the small number of hours taught per

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teacher. Indeed, it is possible that training supervision within companies has not been included in those figures.

It is surprising to notice that technical jobs in a region where the industry is important, represent only 20 % of trained people whereas training to management represents 60 %. This is perhaps accounted for by the fact that large companies of Shaba possess, for technical training, their own training centres and therefore have recourse to INPP only for other types of teachings. Indeed, it is noticed that 42 % of people trained by INPP in Lubumbashi (233 people) have followed a course in management. They all came from large parastatals. It might be a sign of the maturity of the industrial labour market which, because of a long tradition or thanks to a high stability, requires little technical recycling. It might also mean that the Regional Direction dedicates itself mainly to meeting the needs of local large companies without trying to extend its services to small and medium size enterprises, or to craft companies which would be in need of more qualified executive staff.

Training actions carried out by the Regional Direction of Lubumbashi have costed Z 171,000 per training action and Z 13,000 per trained person, which is below INPP average and given the fact that 78 % of those actions are integrated, represents a good financial performance.

1.8.4. Regional Direction of Kisangani

With 7.5 % of the available teachers, the Regional Direction of Kisangani has trained 7 % of the total number of people trained by INPP but has given nearly 15 % of the total of hours. The teachers have taught twicw the average number of hours of other directions (281 hours).

That excellent ratio and the encouranging fact that 34 % of actions carried out were integrated, are however associated with much less positive aspects.

In 1986, that direction only 199 people and barely 22 people (11 %) in technical jobs, which is very low for a region such as Kisangani. Only mechanics and motorization were taught in 1986.

At the same time, expenses and costs of training actions are much higher than the average. With 7 % of the training actions and 7 % of the total number of people trained, that direction represents 16 % of the direct expenses of all the regional directions. Its training actions reach very high costs: Z 506,000 per training action and Z 28,600 per trained person which is more than twice the average of other regions.

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1.8.5. Bukavu Branch

With 3 % of the available teachers, the branch of Bukavu trains 7 % of all the people trained at INPP and carries out 8 % of all the training actions. As for teaching hours taught, they are very near the number of teacher, or 4 % of the total.

The branch of Bukavu divides its teaching between integrated actions (56 %) and external ones (44 %). It is not, therefore, far from the objective set by the Technical Direction.

That branch has trained 194 people in 1986 which is almost similar to the total of people trained by a far more important Direction such as Kisangani (199).

Moreover, it has met the needs of 14 institutions and companies of the region, a figure which is higher, in terms of number, than the figure reached by the Regional Directions of Boma and of Lubumbashi (13 each).

If one adds that training efforts are almost equally distributed between "commerce and administration" (office employee training) with 49 % and technical jobs (workers'training) with 51 % , one notices not only a good productivity, but also a good orientation and distribution of activities.

Finally, one notices that training actions of the branch of Bukavu are carried out at costs far lower than the average of other directions. Indeed, with 8 % of the training actions, the direct expenses of the agency of Bukavu represent only 5 % of the total of the direct expenses of all regional directions and its direct cost per training action: Z 183,000 or per trained person : Z 9,500 is nearly 33 % less than the average of other directions and 66 % less than the direction of Kisangani which trains practically the same numbers of people (199 against 194) in conditions that should be financially more favourable (34 % in integrated against 56 %).

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Given its present performance, it would be possible to contemplate giving it additional resources in order to allow a more varied teaching, especially in technical jobs, which for the time being are limited to general mechanics, motorization and electrotechnics.

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INFORMATION SUMMARY

1. Name of the institution	:	INPP
2. Address	:	136, 11è rue - Zone de Limete
3. P.O. Box	:	1150 Limete
4. Phone, télex	:	20104
5. Creation date	:	June 1964 by Ordinance-law n° 206
6. People to meet	:	Citoyen IKAMBA General Manager Citoyen BAVO : Program Manager Citoyen BILE : Public Relations Director.
7. Number of lecturers and permanent supervisers	:	163
8. Training courses offered	:	Technical training, administration and management.
9. Number of trained people	:	3.000 per year on average
10. Training methodology	:	Academic and on-the-job
11. Applicants		Labour force in search of employment, workers and employees of parastatal and private enterprises.
12. Registration	:	Recommended by the employer
13. Fees	:	N.D.
14. Operating budget	:	N.D. for 1987
15. Financial and technical support	:	Japanese and Italian cooperation, ILO
16. Short comments	:	Fair image for technical training, efforts to shift towards management training is not met with much success. Teaching actions limited compared to available resources. Fewer and fewer companies use service.

2. CENTRE DE PERFECTIONNEMENT AUX TECHNIQUES DE DEVELOPPEMENT (CEPETEDE)

The CEPETEDE was created in September 1981 at the initiative of the following institutions :

- the Executive Council represented by the Portfolio Ministry;
- the Bank of Zaïre;
- the "Office de Gestion de la Dette Publique" (OGEDEP);
- the "Société Financière de Développement" (SOFIDE);

Later some other institutions have joined the above ones:

- the National Association of Zaïre Firms (ANEZA);
- the "Fonds de Convention du Developpement" (FCD).

The CEPEDETE is a non-profit-making association governed by the zaïrian law, according to the statutory order of September 18, 1965.

The association aims at training and recycling managers in the development techniques in general, and especially in the evaluation and the management of agricultural and industrial projects. However, it can carry out all the activities directly or indirectly related to its training mandate.

The CEPETEDE is presently located on the first floor of the ATC building in Kinshasa. It occupies a surface of 600 m2 of air-conditioned premises including 3 classrooms, 12 offices, a computer room and some annexes. Classrooms can hold up to 150 participants.

2.1. Organization

The CEPETEDE is managed by a Board of Directors composed of three members. Each member is assisted by a deputy.

No one can be Director if he has not got a deep knowledge of the activities of the Centre and if he does not hold out a training and experience level compatible with his responsibilities.

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Moreover, the permanent staff which was of 3 people is, at present, of 12 professionnals as follows:

- General Manager:
  Cit. KANDOLO wa KASHALA who used to be Director of the Research Department at SCFIDE is now on secondment at CEPETEDE.

- Director of studies:
  Mr Joël CONAN is in charge of pedagogy. He is French and is put at the disposal of CEPEDEDE by the French Ministry of External Relations, Cooperation and Development. He holds a Ph.D degree in Management.

- Head of the Macro-Economy Department:
  Mr Michel SAINT- ARMAND is in charge of coordinating all the training activities and is especially responsible for training in financial and economic analysis of projects.

- Head of the Department of Agricultural Projects:
  Mr André MARQUIS is responsible for all training activities in Business Management and in Agricultural Production projects. He is also responsible for the organization of short seminars and counselling activities in private and public companies and in agricultural projects.

- Head of the Computer Training Unit:
  Mr Alain MEDEVILLE is responsible for training in micro-computers. He is a member of the french technical assistance.

- Head of the Business Management Department:
  Cit. MUSENGA TSHIMPANGILA is in charge of coordinating all his module activities and of carrying out or leading counselling missions in companies. He is also a lecturer at the University of Kinshasa.

- Common-core modules and training in financial analysis:
  Cit KABUYA KAYAMBALA. Former trainee at CEPEDETE, Cit. KABUYA is on secondment to CEPEDETE from the Portfolio Department. Apart from his pedagogical functions, he also has administrative and financial responsibilities in the management of CEPEDETE.

- Macro-Economy Department Attaché:
  Cit. KUZONDISA MBONGO is responsible for training and macro-economic studies whithin this Department. He is professor at the University of Kinshasa.

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- Attaché at the Department of Agricultural Projects:
  Cit. BULABANGA BUSHIMANA is in charge of training in this Department and also responsible for research in the field of cattle breedings' management.

- Commercial Executive:
  Cit. KABE NYONGA is responsible for CEPETEDE's management control and commercial relations. He also lectures on group dynamics.

- Pedagogic supervisor:
  Cit. MWANI SASA-NKATU is a pedagogic assistant to the Head of the Direction of Studies.

- Training in Financial and Banking Institutions:
  Mr Daniel LABBE, put at the disposal of the CEPEDETE by the World Bank and the french "Fonds d'Aide à la Coopération" (FAC).

Apart from the permanent staff, many interventions are carried out by local or outside experts.

Up to now, 141 lecturers have intervened at CEPETEDE and are divided up as follows :

- Local lecturers : 101 (74.8 %)
  - Zairians: 75 (55.5 %);
  - Expatriates: 26 (19.2 %).

- Foreign lecturers: 34 (25.2 %)
  - Europeans: 28 (20.7 %);
  - Africans: 5 (3.7 %);
  - North American: 1 (0.9 %).

The majority of the permanent lecturers are professors at the University of Kinshasa.

The administrative support staff is presently composed of 32 people :

- 7 secretaries;
- 1 chief accountant;
- 1 accountant;
- 1 intendant;
- 1 switchboard operator;
- 4 drivers;
- 5 workers for maintenance and security.

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2.2. Training services offered

The training program at CEPETEDE is either long-term and includes a common-core and optional courses or short-term and consists mainly in seminars.

The training is not carried-out in the offices of the companies but rather at CEPETEDE's and is organized as follows:

- Common-core:
  The common-core includes compulsory courses in Financial Analysis and Business Financing. Its duration is of 15 weeks of 5 days (6h/day) i.e. 480 hours.

- Optional courses:
  - Business Management: The duration is of 14 weeks i.e. 420 hours.
  - Analysis, Evaluation and Follow-up of projects: The duration is of 14 weeks, i.e. 420 hours.
  - Management of Financing and Banking Institutions: The duration is of 14 weeks or 420 hours.
  - Business Management and Management of Projects of Agricultural Production: The duration is 23 weeks or 780 hours.

- Short training and free-choice training:
  Short training essentially revolves around the organization of seminars at the initiative of either private and public organizations or of CEPETEDE.

The common-core module which in 1987 is at its 11th session is generally the subject of two sessions per year.

2.3. Type of teaching and methodology

The training given at CEPETEDE is "full-time", at the rate of 6 hours a day and during 5 days per week.

It is at the same time a theoretical and practical teaching, based on active educational methods which devotes 75 % of the time to case studies and to group work.

The cases are drawn from documents prepared by the Institut Français de Gestion (IFG).

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The methodology consists in:

- Lectures;
- Debates;
- Meetings and discussions with guest lecturers;
- Visits to industries, to completed projects or projects in the process of being finalized;
- Case study. The material that allows the study of those cases mainly comes from the Institut Français de Gestion, but is adapted to the local context by the Centre's permanent staff.
- Simulation games with a computer (Business games and macro-economic games).
- Writing of an individual paper

Courses are prepared by the permanent staff of CEPETEDE even if they are given by outside experts or consultants. This precaution has been taken in order to safeguard the quality of the teaching given and to exert an adequate control over it.

The CEPEDETE benefits from the World Bank and from the French Cooperation financial assistance.

The CEPETEDE has a variety of material necessary to its good functioning:

- Electric typing machines (IBM 96 typewriters);
- An APPLE II computer with printer;
- 6 IBM PC/AT computers with printers and a plotter;
- Duplication equipment;
- A library of more than 1.000 books covering the subjects taught by the Centre.

2.4. Clients and conditions of admission at CEPETEDE

Applicants to the common-core module must be introduced by the official authority of their company or administration.

The candidates must:

- hold a university degree (licence, engineer's degree, ...) or a training and experience deemed equivalent by the admission jury;
- have a professional experience of a minimum of 2 years;
- Write an admission essay describing their previous and present professional activities and displaying the reasons of their application for a training at CEPETEDE;
- Take a written test of logics, arithmetics and accountancy (non eliminatory test);

- Be interviewed by the administrative staff of the Centre. During this interview their motivations and their availability are examined.

Applications are presented to the CEPETEDE through a standardized file. They are examined by an admission jury which is the only one entitled to decide on the admission.

The admission of an applicant becomes effective only after payment of registration fees. A downpayment of 50 % at the end of the second month of the module is required.

The clients of CEPETEDE come from the civil service (Department of Planning, of Finance, of Agriculture) as well as from parastatal and private companies, especially from the banking and financial sector. The trainees hold positions which vary from employee (highly-skilled) to the level of Director or Head of Department.

2.5. Actions realized

CEPETEDE opened up on March 1st, 1982. On March 13, 1987, CEPETEDE had trained 2.549 persons during long-term courses as well as during short seminars. This figure includes 124 executives of zairean organizations and 15 of foreign organizations and represents 55.439 man/days of training.

The trainees of CEPETEDE are exclusively composed of adults employed by public or private companies, who are recommended by their employers. The companies finance their training. Men as well as at women are admitted. The clients'average age is 35 years.

The standard course is composed of the common-core module and of an optional specialized module. The participants can undertake the optional module either immediately after the common-core or after an interruption of some months.

Trainees have to write an individual paper in which they are encouraged to draw upon their professional experience and the knowledge acquired during the module. This paper is presented before a jury headed by the Director of the Centre.

The diploma is granted at the end of the course to the participants who have obtained a general average of at least 11/20 in all the tests of control and who have attended their dissertation satisfactorily. The achievement of the average of 11/20 in common-core module is a prerequisite for admission to the optional modules.

The average success rate at CEPETEDE is 88,2 %.

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The direction of the Centre strives to remain in contact with the business world and regularly receives feed-back from companies that have sent their employees or executives to be trained at the Centre.

CEPETEDE tries to use outside lecturers, in addition to permanent teachers from the Centre.

Those outside experts come from all sectors: universities, companies, international cooperation, and from various business sectors.

CEPETEDE has developed a method to evaluate the training needs of parastatals and private companies, of Ministries such as Finance, Plan and Portfolio, and of international projects. All outside course leaders are remunerated and they are selected on the basis of their acknowledged competence and experience.

2.6. Services to SMEs

The Centre has developed a project called "PME-SHABA" (Small and Medium sized Enterprises).

From January to December 1985, the CEPETEDE has organized 14 seminars aiming mainly at training or recycling the managers of Small and Medium size Enterprises in SHABA in modern management science and techniques.

At the end of those seminars, the company managers were to be able to identify dysfunctions within their organizations and to implement solutions either by themselves or by having recourse to the consulting structure provided for in the framework of that project.

This SME training program was financed by the European Funds for Development (FED).

The 14 weeks have involved about 70 days of intervention and the various themes tackled, mostly theoretically, were :

- presentation of the project;
- basic accounting;
- financial management;
- calculation of cost price;
- commercial management;
- budget preparation and control;
- choice of investments;
- treasury management;
- production management;
- personnel management;
- inventory management;

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- micro-computer;
- management control;
- simulation game;

2.7. Financing of CEPETEDE

No detailed financial statements were made available but the Centre has nevertheless given the following information about the evolution of its turnover:

(current Zaïres)

1982	1983	1984
Z 2.000.000	Z 4.000.000	Z 8.000.000

1985	1986
Z 16.000.000	Z 40.000.000

CEPETEDE costs per participant are Z 92.000 for the common-core and Z 69.000 for all the specialized modules. The Business Management and Agriculture Projects modules costs Z 180.000 per participant.

CEPETEDE charges Z 2.000 per person/day for short training and Z 3.000 for the long training. This low cost is accounted for by the fact that the Centre operating cost is partially subsidized, especially as far as expatriates' salaries are concerned, and most of its investments were financed through grants.

The financial resources of the Centre come from several origins :

- Zaïrean origin (71%): Working credit provided by the Zairean Government (1%), dues of associate members (1%), tuition fees (24%), counselling actions, surveys, seminars and miscellaneous (45%).

- Foreign origin (29%): equipment credits and transfer of four experts on account of the "Ministère des Relations Extérieures, Coopération et Dévelopment", technical assistance component of the lines of credits granted by the World Bank to the SOFIDE (1983, 1985 and 1987) intended to finance foreign experts' interventions and to buy the equipment.

2.8. Comments

CEPETEDE seems to arouse much interest among local companies. Several private and public organizations seek the

collaboration of the CEPETEDE for the training and the improvement of their managers.

Its permanent or guests lecturers are dedicated and competent and have a good experience either in teaching or in Business Management.

Training at CEPETEDE is centered on Business Management, and especially on Financial Management and Economic Analysis.

CEPETEDE benefits from the financial assistance of a number of international cooperation agencies and for this reason has at its disposal all the appropriate documentation and didactic material for the training it gives.

The training programme of CEPETEDE is geared to the needs of the managing staff of large companies and public organizations. However, it can also design programs aimed at Small and Medium Enterprises if need be. In this respect, the experimentation carried out for the Small and Medium Enterprises in SHABA, although not conclusive on the point of view of the clients because too general and theoretical, was nevertheless a good experience.

In spite of its successes, CEPETEDE must still fight in order to definitely compel recognition and struggle against the tendency of some companies to send their managers outside the country for a training they could acquire locally at CEPETEDE.

It is to be feared that company executives demonstrate a far greater enthusiasm for training outside the country than at CEPETEDE, even if the quality, not to mention the relevance, of the courses is certainly what most of them require.

Finally, it is worth noting that some information asked in the interview questionnaire has not been given because it was not available at the moment of our interview. It is the case, for example, of the financial information.

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INFORMATION SUMMARY

1. Name of the institution	:	CEPETEDE
2. Address	:	1st floor, ATC Building Place Tombalbaye Zone de la Gombe
3. P.O.Box	:	989 Kinshasa I
4. Phone	:	22019 - 23854
5. Creation date	:	September 1981
6. Officials to meet	:	Cit. KANKONLO wa KASHALA General Manager Mr. Joël CONAN Program Director
7. Number of lecturers and permanent supervisers	:	12
8. Number of yearly trained people	:	500 in average
9. Subjects treated	:	Financial management General management Management and agricultural production projects
10. Training method	:	Practical and theoretical
11. Beneficiaries	:	Senior staff of large private enterprises and parastatal and senior civil servants
12. Registration	:	On recommendation by the employer
13. Fees	:	Comprehensive levels : Z 92.000 spacial et module : Z 69.000
14. Opérating budget	:	In 1986 : Z 40.000.000
15. Financial and technical support	:	French Cooperation, IFG, World Bank
16. Short comments	:	Well appreciated by the partners. Provides appropriate training programs. Motivated staff. Efficient organization.

3. CENTRE CHRETIEN D'ACTION POUR DIRIGEANTS ET CADRES D'ENTREPRISES AU ZAIRE (CADICEC)

CADICEC was created in 1956. It is a non-profit making organisation whose objectives are:

- To give to business leaders the opportunity to meet and discuss matters of common interest;
- To promote and to develop the consciousness of christian ethics and christian behaviour towards others within industrial society.
- To develop all the initiatives aimed at improving the quality of human relations in the enterprises;
- To train employees and business leaders and to provide them with various information required for a better management.

CADICEC is located in Gombe, 32, Av. Tombalbaye. It is housed in an 8 rooms building.

Because of the cramped state of itspresent installations, CADICEC plans to shift to the "Rwindi Building".

3.1. Organization

The personnel of CADICEC is as follows:

- A Secretary General: Father EKWA BIS ISAL, S.J. He is a former catholic Education Bureau Chairman (BEC) and a former secretary general of the catholic international education organization based in Brussels. He has been CADICEC chairman since 1983.
- The secretary general is assisted by 12 aids, 6 women and 6 men. Their appointments are as follows :
  - three typists
  - a publication and training manager, she is a "graduée" in religious sciences (théology and philosophy).
  - a legal adviser
  - an accountant in charge of finance
  - an economic data analyst
  - a bookkeeper

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- a public relations officer
- an editorial staff officer in charge of supervising all texts relating to training
- an office clerk

3.2. Services provided

To achieve its aims, CADICEC organises colloquia, debates, meetings for business leaders, senior and junior administrative employees, personnel officers, officers in charge of finance, executive secretaries, etc ...

Topics covered by the seminars vary in accordance with the needs of the enterprises and the time they make their personnel available.

CADICEC is not only commited to training but also to publishing information especially on labour legislation. CADICEC has recently set up an information and consulting center to help the SMEs.

CADICEC is organizing seminars throughout the year.

The training is mainly oriented towards practical activities for employees and employers.

To lecture in its various seminars, colloquia and conferences, CADICEC, through its national and international contact network, tries to invite local consultants and external lecturers from all over the world. At the national level, CADICEC cooperates with OPEZ, CENACOF and ANEZA.

This Institution has been getting grants from the Adenauer Fondation and from the Belgian overseas cooperation.

CADICEC has been associated with UNIAPAC since 1973. It also works with business and community leaders of other African countries united by the same Christian ethics on social relations which places the human dimension above the economic dimension.

Thanks to the assistance of a number of external organizations, CADICEC has the resources to operate regularly.

The institution owns an important library necessary to deal with the participants' needs. It publishes its own News Bulletin.

CADICEC has a computer, duplication equipment and some audio-visual material.

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3.3. Clientele and registration conditions

CADICEC's main training efforts are directed towards the medium-size local private companies and towards the following clientele:

- Executive Secretaries;
- Heads of Personnel Departments;
- Financial Officers, and
- since 1986 employees and employers of SMEs.

Once a month an evening debating conference is arranged for company chairmen and executives. Participants are sent by enterprises which pay all their expenses. Admission is not subject to any other conditions.

On average CADICEC yearly trains:
- 60 Executive Secretaries;
- 60 Head of Personnel Departments;
- 100 to 150 Financial Officers.

CADICEC does not use an internal evaluation system to check the quality and relevance of its actions nor does it systematically assess the impact of its action on the enterprises or its image whithin those enterprises.

3.4. Comments

CADICEC is a creation of the Zaïrian enterprises' christian leaders. It is first and foremost a meeting place which aims at providing a link between executives who have the same problems and Christian business ethic preoccupations.

In addition, CADICEC provides a number of information services on various aspects of the business environment and of the financial and employment legislation in Zaire and train employees and small-scale businessmen in basic financial and personnel management.

Some consulting and training services are now offered to help Christian business leaders solve a number of social problems in their companies and their employees' families. For instance it offers basic training in potentially profitable ventures such as dress making, shoe repairing, auto repair, food parlor management, etc...

Given its limited training goals, CADICEC has a good reputation.

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INFORMATION SUMMARY

1. Name of the institution	:	CADICEC
2. Address	:	32/13, Av. Tombalbaye
3. P.O.BOX	:	3417 KIN/GOMBE
4. Phone	:	25033
5. Date of creation	:	1956
6. Officials to meet	:	Father EKWA ESI ASAL S.J. Secretary General Ctne MUJINGA publication and training manager
7. Number of lecturers and permanent supervisors	:	6
8. Number of trained persons	:	500 per year on average
9. Applicants	:	Executive Secretaries, Financial Officers Head of personnel departments, SME leaders.
10. Application conditions	:	Any senior employee of a CADICEC member private enterprise.
11. Participation cost	:	2.000 to 5.000 Z per participant.
12. Registration	:	on recommadation
13. Operating budget	:	Not available
14. Organization financing	:	Belgian Cooperation & Technical Cooperation, OXFAM, Adenauer Foundation
15. Short comment	:	CADICEC's information service is well regarded by the small and medium businessmen. The adequacy and efficiency of its somewhat limited training actions are nevertheless appreciated because very pratctical and directly applicable in the companies.

4. CENTRE INTERDISCIPLINAIRE POUR L'EDUCATION PERMANENTE (CIDEP)

The "Interdisciplinary Centre for Permanent Education" (CIDEP) was created by the order n° 154/81 of october 7th 1981.

CIDEP is a service of the Ministry of Higher Education, University and Research.

Its first objectives were to train already employed people giving them the opportunity to obtain a university degree a few years after they had left school. Less ambitiously, the objective later shifted towards the development and organization of seminars and conferences to recycle civil servants and employers of the private companies. CIDEP aims at playing an interlinking role between the university and the economic sector (public and private companies).

CIDEP headquarters are located at the corner of Av. Mandariniers and Av. du 24 Novembre in Gombe. It is an old, ill-serviced, one-storey building of 24 offices.

As CIDEP is no longer dealing with usual standard education, its former classrooms are now used as offices for researches and permanent administrative personnel.

4.1. Organization

CIDEP is supervised by the Ministry for Higher Education, University and Scientific Research and is run by a Secretary General assisted by two Officers, one dealing with program and the other with the administration.

CIDEP has a staff of 185 among whom 64 researchers and 121 administrative and technical personnel of various qualifications.

The Secretary General, Citoyen PANUKA D'ZENTIMA, is "licencié" in Economics. He is a former Academic Secretary of ISTA, former Director General of ISP/Gombe and former Director General of ISC.

All the professionnals have, as a minimum, a "licencié" degree and some have more qualifications in adult education.

CIDEP is represented in all the regions of the Republic.

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4.2. Training Program

CIDEP provides training in :

- Rural development management;
- Management of non-Government organizations, Small and Medium and Community Association;
- Management of public entreprises and institutions;
- Recycling of Civil Service administration officers.

Seminars for senior staff are generally organized during the week-end in order not to alter the weekly timetable of these senior officers. The training of managers and technicians of non governmental organisations (SMEs) and community Associations take from 5 to 15 days.

The number of sessions per year depends on the requests from the organizations which are interested. CIDEP receives an average of 25 participants per session. CIDEP is operational throughout the year.

CIDEP courses are provided in the form of seminars. It is an informal and practical education. The educational method used are the presentation of reports, tutorials and case study.

4.3. External cooperation

CIDEP collaborates with several foreign universities as well as some professional organizations and individuals.

At the international level, the important contribution of the Belgian cooperation to the administrative training centre must be pointed out. That centre is under CIDÈP Supervision. It is dealing with the training of Senior officers from decentralized organism and those working in the development sector.

CIDEP also cooperates with:

- The faculty of permanent education of the Montreal University for the training of the professionnal staff of CIDEP.

- A.I.M.A.F. (Association des Institutions de Formation et de Perfectionnement en Management) of which the CDA is a Founding member. The headquarters of this association are located in Abidjan;

- CEPETEDE;

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- F M C: A consulting company specialized in Management training;
- The Training Division of the "Département du Plan" (Planning Ministry);
- The training service of the "Banque Commerciale du Zaïre";
- The training service of the "Banque du Peuple";
- The training service of the "Banque du Zaïre";
- SEVOZA: the training school of the "Voix du Zaïre" (Zaïre Brodcasting Service).

CIDEP has two libraries with old books which have not been renewed because of lack of financial ressources.

Participants in seminars organised by CIDEP must be recommended by institutions they work for. In addition the recommanded person must be performing the duty relating to the nature of the training.

The needs analysis for the training is made through a survey within the organisation by means of a questionnaire and interview.

During the last three years, CIDEP has trained 500 agents coming mostly from the civil service but also from a few private companies.

The control of the quality and relevance of the training offered is made during the sessions when participants are asked to answer an evaluation questionnaire. In addition, a follow-up is usually provided for one or two years after the session so as to assess the impact of the training on the participants. At the same time an investigation is made with their the employer to find out whether the training improved either the work performance or the attitude of the trainee.

4.4. Financing

CIDEP is entirely financed from the budget of the "Conseil Exécutif" (Executive Council). The funds are considered as wholly inadequate for an efficient operation and almost non-existent for any kind of new investments.

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Some additional income comes from the seminars it organizes. The participation fees of which are:

- Z 5.000 per day and per person for senior staff
- Z 2.000 per day and per person for middle staff

These two elements are the sole financial ressources of CIDEP. So far, no International Agency has proved to be interested in CIDEP.

Like most public services, CIDEP is facing serious functioning problems because of lack of finance and of the necessary office supplies and equipment.

CIDEP is moreover facing the problem of number of applicants. Despite the many efforts undertaken, only a small number of organizations, including the Ministries, have sent their personnel for training at CIDEP.

4.5. Comments

In spite of the restatement of its objectives towards adult education, the impact of CIDEP as a training organization for senior staff members of the public and private enterprises and administrations is scarcely felt. On the one hand, the proposed programs seem to be ill - structured and do not meet exactly the needs of the potentially interested enterprises. On the other hand, despite their university degree, CIDEP professionnals do not usually have the practical experience required to train senior and middle managers and the whole organization suffers from a lack of credibility.

CIDEP has neither the training material nor the appropriate documentation which would be necessary to achieve its training goals. The efficiency of its training actions started being questioned from that moment. Its public image among the potential clientele is far from being bright. In the long run, one can wonder whether this centre should be dissolved or at least completely changed by entrusting it with new clearly identified target and endowing it with appropriate financial resources.

The bad condition of CIDEP building reflects its less than adequate public image.

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INFORMATION SUMMARY

1. Name of the institution	:	C I D E P
2. Address	:	On the crossroad of Av. Mandariniers & Av. 24 Novembre - Gombe
3. P.O.BOX	:	/
4. Phone	:	/
5. Date of creation	:	7th October 1981 by Ord.154
6. Officials to meet	:	Cit. PANUKA DZENTIMA, General Manager Cit. PATY NKYIMBI Officer in charge of CIDEP programs
7. Number of lecturers & permanent supervisors	:	64
8. Trained persons per year	:	100 on average
9. Subjects lectured	:	Management, Proficiency courses for teachers
10.Training methodology	:	Mostly seminars and conferences
11.Participation cost	:	5.000 Z per person
12.Operating budget	:	Not available
13.Applicants	:	Administrative staff of the Civil Service and some parastatals, Teachers
14.Registration	:	On recommandation
15.Supporting organization	:	None
16.Short comment	:	Not very highly regarded - Not much used, even by Government Departments although it is a parastatal.

5. INSTITUT SUPERIEUR DES SCIENCES DU TRAVAIL (I.S.S.T.)

The "Institut Supérieur des Sciences du Travail" (ISST) was created in 1979 and is a specialized service of the Zaïre Trade Union (U.N.T.Za). Its targets are:

- To train senior staff members of the Union and client public and private companies in applied economic science, with an emphasis on commerce and finance, and deliver a diploma equivalent to a university "graduat" or "licence".

- To organize conferences, colloquia and short-term training sessions for union staff members.

- To research and publish data and texts relating to labour relations in Zaire and abroad.

At the very start, the institution was created to make researches in social development before becoming ISST with its present orientation.

The institution is located within the premises of the Zaïre National Trade Union (U.N.T.Za). The P.O. Box is: 3314 Kinshasa/Gombe and the phone number is: 22 364.

The institution makes use of the following wholly-owned premises:

- a conference hall with a capacity of 500 people;
- a classroom which ca house 80 people;
- three classrooms for 40 people each;
- a classroom for 25 people.

Besides the classrooms, some offices are provided to the senior staff officers and permanent personnel of the institute. ISST is now building a big training centre in Mont Ngafula. The classrooms of ISST are properly equipped thanks to the collaboration of the Afro-American labour centre.

5.1. Organization

The institution is run by a Director assisted by an academic secretary. At present, the Director is Citoyen MAMWANA MUNGONG, "licencié" in General Sociology. Previously he was the Director of Studies of the Trade Union (UNTZa) before assuming the present position. Cit. VANGU KIMAKWALA is Academic Secretary.

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The institution employs 37 lecturers most of whom come, as guest speakers, from other institutions:

- Lecturers fom the University and High Schools of Kinshasa;
- Private or state enterprises senior staff members or senior civil servants;
- Union officers from UNTZa with a university degree, Ph.D. or "licencié", qualified in Labour Relations, Law or in Economics.
- Experts from different international and national organizations.

5.2. Services Available

ISST offers a theoretical training program. The training comprises two sections: Labour Relations and Commerce and Finance. It is open to applicants coming from outside the Trade Union but apparently this facility has not had much success yet.

In addition to the full time training for regular students, the ISST organises seminars and symposiums for permanent union agents and for interested managers of SMEs.

ISST has the same academic year duration as any school. The training program begins at the end of October and lasts up to July.

ISST training courses are entirely theoretical and the course content and the pedagogy used are similar to those other higher education local programs. The methodology is based on lectures followed by group discussions. The duration of the lectures varies from 45 hours to 120 hours. Four years of training are needed for graduation.

5.3. Outside collaboration

In matters of training, the institution benefits from the collaboration of the ILO (International Labour Organisation) which sends its experts to chair seminars for students in the third and fourth years.

The institution also enjoys the collaboration of the UNIKIN faculty of Demography.

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In addition to these regular collaboration programs, the following foreign institutions have also worked with ISST:

- The International Institute of Social Studies in Geneva;
- The Labour Studies Department of the Leuven University in Belgium;
- The Labour Science Institute of Belgium;
- The International Association of Professional Relations of the University of Paris Sorbonne;
- The University of Tel Aviv (Israel) for studies on cooperatives management.

The institution has a library which has been slowly increasing over the years. Each lecturer must put a syllabus at the students' disposal. In this matter the institute is financially and technically assisted by the Afro-American Labour Centre.

5.4. Application and registration conditions

Part of the student population of ISST comes direct from secondary schools. Permanent union members recommended by their employers are welcome as well as civil servants sent by their administration.

The age of student varies from 20 to 45 years. These students come mainly from Bandundu, Bas-Zaïre and Kinshasa.

The registration conditions are as follows :

- To be a secondary school state diploma holder or an equivalent certificate holder;
- To be an employee (clerk, foreman or senior staff) from a private or parastatal firm or a civil servant in the central a local administration;
- To pass the admission test;
- To pay the tuition fee fixed by the ISST board.

Since 1983, ISST has graduated 150 students in 4 academic years, i.e. 30 students each year. The rate of success is close to 80 %.

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In addition to the formal training, the institution has organised a series of conferences and seminars for permanent agents and union delegates.

The evaluation of the quality of the training offered relies mainly on the students' examinations at the end of the academic year. Student are also given the opportunity to evaluate the courses they receive and their lecturers discusses these evaluations. Another way of evaluating the actions carried out by the Institute is to be found in letters of appraisal sent by enterprises. These letters help to assess the quality level of the institution and the progress made by the students.

5.5. Financing

The important investments made in the educational field consists mainly of records, tables, blackboards and the library of the institute. The financing sources, in addition to limited funds made available by the Union itself, are mainly drawn from:

- a financial subsidy of US $ 41.000 for 1987 from the Afro-American Labour Centre. This contribution will soon expire, however;

- tuition fees paid by the students = 500 Z for the registration and 1.500 Z of school fees per term.

The problems encountered by the institution are mostly the following :

- shortage of classrooms
- lack of offices for lecturers
- inadequacy of documentation and books
- lack of visual aids
- lack of means of transport at the disposal of the Institute.

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INFORMATION SUMMARY

1. Name of the Institution	:	I S S T
2. Adress	:	On the Corners of Av. du Commerce Av. des Marais
3. P.O.BOX	:	8814 Kin/Gombe
4. Phone	:	22 364
5. Date of creation	:	1979
6. Representative officials	:	MAMWANA MUNGONG, Directeur VANGU KIMAKWALA, Administrative and Academic Secretary
7. Number of lecturers & permanents Supervisors	:	37 persons
8. Trained participants	:	30 persons per year (full-course program)
9. Subjects dealt with	:	Social Sciences, Commerce & Finance.
10.Types of training	:	Academic
11.Tuition fees	:	1.500 Z quarterly
12.Application conditions	:	Secondary school certificate (state) holders, Union officers and Union permanent delegates of enterprises
13.Operating budget	:	5.000.000.Z
14.Registration	:	Free
15.Financial and technical support	:	ILO & Afro-American Labour Centre
16.Short Comment	:	Training centre probably too strongly associated with the Trade Union to be much used by enterprises for the recycling of their employees. In addition the courses are very theoretical and not adapted to their needs.

6. INSTITUT ZAIROIS DU MANAGEMENT (I Z A M)

The Zairian Institute of Management (IZAM) was created on 3rd April 1981 by the Presidential order n° 81/0054.

IZAM is a public organization. Its main mission is counceling and training in management. The objectives of IZAM are as follows :

- To help the enterprises and civil service managers set up effective management methods and techniques within their organizations (consulting).
- To train and provide proficiency courses in management to the senior heads and senior staff of entreprises and civil service.
- To produce the necessary visual aids for the vulgarization of management methods and techniques, to design and publish a documentation of the management techniques tested elsewhere adapted to the local conditions.
- To make survey in different sectors of the civil service and enterprises in order to determine the needs for training and assistance in management.

The Direction Generale of IZAM is on the 5th floor of the WTC building while its other offices are located in NDOLO. IZAM does not own a building and has to rent meeting rooms in the case seminars or debate-conferences are to be organized.

6.1. Organization

IZAM's organization is divided into three departments, namely :

- The Department for Training and Research;
- The Diagnosis Department;
- The Administrative and Financial Department.

Like other public enterprises, IZAM has a board of Directors and is run by a General Manager, Citoyen IFEFA MANDJI, Ph.D. in Management Control at the University of Paris, M.A. in Public Finance. He was also controller at the "Département du Plan" (Ministry of Planning) for almost 15 years.

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The personnel is composed of 41 people compared to 100 in 1984 of whom 13 are lecturers and 28 are administrative staff.

The following is the list of lecturers as well as their qualifications and professional experience.

- Human Resources management:

  - Cit. KABURABUZA NGWABIYE: Licencié in Science of Education. Adviser in management and planning. Director for Research and Training for the past 6 years;
  - Cit. ALUMA MPEMA: Licencié in anthropology. Lecturer in training. Experience of 6 years as a training supervisor;
  - Cit. TSHITENGE KATAMBA: Licencié in Political and Administrative sciences, lecturer in management.
  - Cit. MULENGA MUNGU: Licencié in political and Administrative sciences, lecturer in management;
  - Cit. NKOSHAY AMAY: Licencié in psychology, lecturer in training.

- Financial and Budgetary Management:

  - Cit. ATALE EDEBEDI: Ph. D. in Economic Sciences, lecturer in Management and Organization. Twenty-one years of experience.
  - Cit. FAYETE FAY DIUNG: Licencié in Economic Sciences, lecturer in Management and Organization. Responsible for the diagnosis studies and consulting assignments in cooperative management. Experience of 6 years;
  - Cit.MULENDA-a-LUTULA: Licencié in Commercial Sciences, lecturer in Management and Organization. Experience of 6 years as Administrative and Financial Director.

- Management and organization of production:

  - Cit. OSAMBI W'OTSHIMO: Licencié in Psychology, lecturer in Management and Organisation. Responsible for diagnostic studies and consulting assignments in production management. Six years of experience.
  - Cit. LIYELI MAMPWABE: Licencié in Economic Sciences, lecturer in Management and Organization. Experience of 5 years as Office Manager.

- Evaluation and management of development projets:

  - Cit. KUYANGUMUNU BOMBA: Licencié in Pedagogy, lecturer in Management. Head of the Department for the past 6 years;
  - Cit. YOLONKOY NKEM:Licencié in Political andAdministrative Sciences, lecturer in Management and Organization. 5 years of experience;
  - Cit. CITUKA: Licencié in Economic sciences, lecturer in Management and Organization.

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- Cit. NYETERA: Licencié in Economics and Finance, lecturer in Management and Organizsation .

6.2. Training available

To achieve its objectives, IZAM carries out three main activities:

- Consulting in management and organization;
- Training and Proficiency courses;
- Research and studies.

The subjects taught regularly are :

- Evaluation and job classification;
- Human resources management;
- Training needs identification and organization and management of a training centre;
- Inventory and warehousing management techniques;
- Management control techniques;
- Overhead and indirect costs control;
- Management by objectives;
- Cash and treasury management;
- Organization of individual work timetable;
- Training for trainers;
- Design and implementation of a "Tableau de Bord" for the General Management;
- Human Resources evaluation;
- Organization diagnostic, design and implementation;
- Investment project design, execution and evaluation;
- Maintenance management;
- Calculation, analysis and control of costs;
- The social balance-sheet as management tool;
- Interpersonal communications in a company.

IZAM also organizes seminars throughout the year.

In addition to the training and seminars, IZAM sometimes conduct diagnostics and performs consulting and operational audit assignments at the request of companies and other organizations.

Courses are given in the form of seminars and the average duration of each seminar is 5 days. During each year, IZAM organizes 28 seminars.

Each subject is taught during two sessions per year. The average number of trainees in a classroom is 10. The pedagogic methods are based on case and practical studies. At the end of the session, participants are awarded a certificate.

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During the least three years, IZAM has trained :

- in 1984: 46 persons, 37 in general management and 9 in human resources management;
- in 1985: 85 persons, 46 in general management, 30 in human resources management and 4 in production management;
- in 1986: only 8 persons, 2 in Finance and Budget and 6 in human resources management.

As the courses provided by IZAM are in the form of seminars the attendants are not awarded any certificate at the end of the session.

IZAM carries out investigations within companies in order to measure the impact of IZAM actions and its public image among its main applicants.

IZAM is gradually setting up its own library and all the required documentation. At present each supervisiors has to prepare a monography for each developed theme.

6.3. External collaboration

IZAM collaborates with a certain number of organizations, namely :

- UNAZA;
- The UNDP;
- CADIC (compagnie Africaine des Ingénieurs Conseils);
- The Management Development Services of the ILO;
- African Management Association (AMA) based in Casablanca, Morocco;
- The Professional Association of Management based in Madras, India;
- Association of Management Institutions for Africa (AIMAF) in Abidjan, Ivory Coast.

6.4. Clientele and Registration conditions

IZAM training program aims at senior staff from the civil service, parastatal and private enterprises.

The registration is made thanks to a reply coupon included the information letter sent to all organisation which might be interested in the programme. The program is financed by the employer.

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6.5. Financing

IZAM functions only with the subsidy which it gets from the "Conseil Exécutif" and with the tuition fees paid for the training sessions.

The cost of the training is a flat rate of Z 2,017 per training module plus Z 6,000 per participant and per day.

6.6. Comments

IZAM, a public organization, is facing competition from better known and more highly regarded private organisations, even for the training of Government and parastatals employees and managers .

The investments made for training IZAM's permanent staff abroad were not made profitable as many of these departed over the years.

IZAM also suffers from the fact that it does not own its own building to carry out its mission. This makes its actions less effective. The same is true of the inadequacy of the appropriate documentation.

Several organisation such as IZAM, CENACOF, CEPETEDE and ISST pursue the same objectives of training senior staff in management.

The training market of all these organizations comes from roughly the same parastatals and government administrations. Very few local enterprises make use of the local training institutions, especially the public ones. There is clearly a saturation of institutions dealing with not only the same market but also offering the same kind of management training. At present, there is an absolute lack of coordination between all these organizations.

IZAM, although a public organisation which received the important mandate of training the civil service officers in management and administration, has not met with much success in convincing their administrations to make use of its services and its record is far from satisfactory. Only 8 people were trained in 1986 !

There is no doubt that a somewhat bureaucratic approach, the lack of resources (financial, material and human) and the limited

practical experience of its officers have not convinced the potential applicants about the relevance of its programs.

If the government is to maintain the existence of this structure, its mission and objectives must be questioned and redefined in order to find an untapped "market niche" and its efficiency much improved. It could, for instance, become a management of public enterprises and administration research and consulting centre and source of publications.

Its training mandate could well be carried-out by other existing, well-regarded and active organizations, such as CEPETEDE.

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INFORMATION SUMMARY

1. Name of the institution	:	IZAM
2. Address	:	5th Floor of the CCIZ Building
3. P.O.BOX	:	3122 KIN I
4. Phone	:	32021 - 32029 ext. 8171 -8167
5. Date of creation	:	3rd April 1981 by Ord. No. 54
6. Contacts	:	Cit. IFEFA MANDJI Chairman & General Manager Cit. MAYENGE Internal Auditor
7. Number of lecturers & permanent Supervisors	:	13
8. Attendance	:	40 in average
9. Subjects	:	Production management, Financial management Human Resources management General management
10.Type of training	:	Case studies, lectures, group discussions
11.Participation cost	:	6.000 Z per person & per year
12.Operation budget	:	2.000.000 Z per month
13.Participants	:	Senior staff of the Civil Service and of some parastatals.
14. Registration	:	On recommandation
15.External assistance	:	Not available
16.Comment	:	Training offered and internal efficiency poorly regarded by both public and private employers.

7. CENTRE NATIONAL DE COORDINATION DE LA FORMATION AU DEVELOPPEMENT (CENACOF)

The "Centre National de Coordination de la Formation au Développement", CENACOF for short, is an outcome of the USAID project 0068 called "Développement - Manpower training " between the "Conseil Exécutif" and the government of the United States of America.

CENACOF offers training services related to the management and the development of institutions and projects. Its mandate also provides for research, consulting and group development. CENACOF aims at developing the professional and human dimensions of the participants. The first dimension concerns their know-how whereas the second one concerns improving their management attitude.

CENACOF was founded on September 30, 1980 when an agreement between the USA and the "Conseil Exécutif" was signed. CENACOF has been under the supervision of the "Département du Plan" since the 1st of June 1984. Formerly it was under the Cabinet of the Prime Minister (1er Commissaire d'Etat). By the end of the project scheduled for 1987, CENACOF might become a parastatal.

CENACOF aims at improving and developing management abilities. Thus it deals with :

- Managerial staff from various departments of the "Conseil Exécutif";
- Para-statal, confessional and private organisations;
- Educational and research institutions and,
- Development projects financed under bilateral and multilateral agreements.

CENACOF is located at n° 22 av. Mwene-Ditu in Gombe zone, B.P. 3719, Kinshasa I. Its phone number is 32316. Its facilities include :

- 7 premises used as offices for the administrative staff and training officers.
- a big hall for training which can hold up to 60 participants.
- 2 huts within the premises for sub-group sessions.

7.1. Organization

CENACOF is headed by a General Director Prof. CHIZUNGU

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RUDAHINDWA, Ph.D. in Education and Planning. He is assisted by 6 training officers and by 12 administrative officers.

7.2. Services offered by CENACOF

CENACOF has four main areas of intervention.

- Training,
- Research and assessment,
- Facilitation of group debates and,
- Consulting in organizational development.

The training at CENACOF is organized in seminars and workshops. The duration varies from some days to several weeks.

Seminars are divided up into 3 types :

- The first type is the one initiated by CENACOF itself and in which the latter invites the customer institutions to participate. The participant's profile is determined by CENACOF according to a needs analysis carried out on the market beforehand in order to meet the requirements of various work environments efficiently.

- The second type of seminars is organized in collaboration with the American Department of griculture (USDA). The content of those seminars is conceived by USDA experts and adapted to the realities and needs of the staff of different departments and sectors related to agriculture in Zaïre. This kind of collaboration could be extended to other international organizations and friendly countries willing to contribute to the development of Zaïre.

- The third type of seminar is organized at the request of a Department institution or firm on a given theme. With its own experts or guest experts, CENACOF conceives and carries out the training in favour of the applying institution. This kind of training generally results from an effort of consultation with the institution.

Seminars organized by CENACOF cover 5 main areas.

- In-service training:
  Those seminars aim at recycling or at training existing or future teachers in modern in-service training techniques. The objective is to develop or to reinforce, among the training staff of public and

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private institutions, the abilities to conceive, to carry out and to assess training programs.

The content of this program is as follows:

- Interpersonal communication
- Group dynamics
- Design of a training program
- Execution of a training program
- Assesment of a training program
- Management of a training program

- General Management:
  In the area of management, CENACOF offers various seminars. The objective of these seminars is the acquisition by the managerial executives of essential competence in management. How to use at best the human, financial and material resources in order to reach the objectives of an organization.

  The content of this program is as follows:

  - The manager's basic functions and responsibilities;

  - Management tools: Layout of objectives and policies, Financial plans and control, Production and marketing;

  - The management of financial and material resources: General accountancy, Actualization, Financial productiveness, Economic analysis, Budgetary program, Financial control, Supply and Inventory management;

  - The management of human resources: Process of solving problems and conflicts, Selection recruitment and career advising, Assessment and standards of performance, Effective communication, Understanding of human behaviour, How to develop and help the subordinate staff to develop themselves professionally and humanly, Training and development of personnel, Organization design based on the strengh of the existing staff;

  - The management of institutions: Diagnosis of an organization, Process of organizational development, How to face the resistance to change, Formulation of the mission of the organization;

Each of these elements can constitute a module or a semi-seminar of short length according to the needs of the applying institution.

- Management, planning and the assessment of development projects:
  The objective of this training program is to help the managerial executives to conceive, carry out and assess development projects.

  The content of this program is as follows:

  - Length of a project;
  - Study of environment and the problematic of a project;
  - How to involve and interest the beneficiaries of the project;
  - Structuration of a project (eg use of a logical framework);
  - Market survey;
  - Study of feasibility and productiving of a project;
  - Program and budget planning;
  - Management of human, financial and material resources;
  - Assessment of a project (in and after execution).

- Interpersonnal communication:
  The objective of this program is to develop the abilities of the participants to use effective communication in their professional environment.

  The content of this program is as follows:

  - Problematic of interpersonal communication;
  - Communication technique;
  - Feed-back;

- Group dynamics and facilitation of group decision:
  The objective of this program is to develop the abilities to grasp groups' phenomena in order to intervene efficiently in the group and to channel the members'efforts towards the reach of common objectives.

  The content of this program is as follows:

  - Observation and diagnostic of the group;
  - Interpersonal relations;
  - Group theory;
  - Group development;
  - Process of group decision taking;
  - Intergroup dynamics;

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USDA - CENACOF seminars:

The content of this program is as follows:

- Zoology and natural resources: Systems of small ruminants' production, Systems of poultry intensive production, Ecological analysis for tropical forest and natural resources management;

- Economy and policy: Analysis of agricultural and rural projects, Policy and administration of credits to small farmers, Establishment and management of farm cooperatives, Economic estimates for the agricultural policy and planning, Development of regional agricultural resources, Management of agricultural management statistics, Survey methods and agricultural statistics.

- Training, development and management of the human resources in agricultural projects: Implementation and communication of results of agricultural research at the level of the community, In-service training for agricultural and rural development, Management of changes within institutions, Management and women's role in development, Management of agricultural research, Integrated rural development.

- Production and technology: Methodology of agricultural research, Crop safety stock building, Reduction of the loss of crops, Improvement of crops.

- Tailor-made Seminars:
Themes vary according to the customer's application. The experts of CENACOF or the consultants employed for the occasion conceive the courses in accordance with expressed needs.

For instance, a program for women was developped with the objective of encouraging women living in rural environments to organize cooperatives and training them to run and to manage those cooperatives according to modern cooperative principles.

The content of this specific, tailor-made program was as follows:

- Creation and organization of a cooperative;
- Cooperative administration:
- Functions and mechanisms of administration;

- Using the cash-book;
- Assessment and follow-up of farming results;
- Techniques of accounting control, inventory management, the balance sheet;
- Management of the staff, of the stocks and of the equipment credit

- Facilitation of group discussions:
  As for the organizational development, this intervention is carried out at the request of an institution. Several problems that crop up within institutions require that the concerned staff meet in a forum in order to find out solutions. Such forums generally lead to stormy discussions to worked up people and to deadlocks.

  CENACOF has got the experience to help in planning and in supervising discussions, in detecting mechanisms of deadlocks and in leading participants to clearly identify the problems, to evaluate them and to adopt the most appropriate solution.

In the field of research, CENACOF is especially interested in the management problems in the zairian context;

Apart from the possibility of formulating a diagnosis within a given organization and of eventually suggesting an action of training, CENACOF plans to undertake global researching, i.e. on zairean organizations taken as a whole.

As an example, here are some questions that research at CENACOF will examine :

- Harmony and conflicts between Zairians and their expatriate counterparts;
- Bantu and zairian tradition faced with modern management requirements;
- The use of Western psychotechnique tools in the selection, the professional advising and the assessment of performances within zairean organizations.

CENACOF also conducts research on the causes of success and failure in bilateral and multilateral development projects and on the assessment techniques to measure to what extent a developmental project has reached its objectives.

In the area of education and labour market, the research at CENACOF aims at :

- Examining the relationship between the training acquired within the different types of formal and/or

non-formal teaching institutions on the one hand and the labour market on the other hand.

- drawing up estimates of skilled labour by category of employment.

Apart from evaluations carried out for its own training programmes, CENACOF can make four types of evaluation for training programmes conceived by other institutions.

- Ex-ante evaluation which aims at finding out the participants'level before a training session.

- Training evaluation whose aim is to measure the progress made during the training, to detect possible weaknesses and to suggest a new line of action.

- Summing-up evaluation which measures the amount of knowledge, of competence and of abilities acquired after a training session.

- Evaluation of the impact which aims at measuring the impact of a training session on the participant and his work environment. This type of evaluation allows to evaluate the relevance of a training and to avoid training for the sake of training.

At the request of a customer institution, CENACOF can diagnose organization problems that handicap the smooth running of the institution. Such a diagnosis can lead to a training action or to the redefinition of objectives and of attributions and the reorganization of the institution.

CENACOF functions all the year round. The teaching consists in a series of seminars.

The training at CENACOF is practical. It might be intra or extra. Intra when it is carried out within a firm and extra when it is organized within CENACOF premises.It is worth noting that a great deal of seminars have been organized outside CENACOF premises and even outside the capital city.

The learning process at CENACOF is based on the use of the experiential methodology that it seeks to introduce and to establish in Zaire, given its well-tried efficiency in training all over the world. The model aims at building participants apprenticeship on concrete experiences and on everyday realities of their professional environments. Those experiences are then the subject matter of individual or group reflexions, in order to draw observations which must lead to a level of generalization with a view to developed behavioural.

The concepts in hypotheses form are tested by active experimentation which may lead either to usable results or to other concrete experiences thus allowing the continuation of learning.

The adult learner at CENACOF is at the centre of his learning in so far as he is considered to have already acquired a high degree of abilities and competence that a good trainer must strive to channel and enrich in order to maximize his output. CENACOF favours the following learning principles:

- Appropriate practice: Each trainee carries out the specific action which is required by the behavioural.

- Progressive sequence: The approach consists in beginning by what is easy and known by the participant and then to end up with what is more difficult for him.

- Aim: The adult learner must understand why he must learn a given subject.

- Individual differentiation: The participant is given the opportunity to learn in the way that suits him better or that is more profitable for him.

At the beginning of its activities in 1982-1983, CENACOF has particularly insisted, on the Executive Council's recommendation, on agriculture and rural development.

During that period, CENACOF has organised in collaboration with USAID 5 seminars for participants from BURUNDI, the CONGO, RWANDA and ZAIRE. In 1984, CENACOF has started the training, the evaluation and the selection of its own team of trainers, with the assistance of international experts and the support of USAID and SDA.

It is in this context that a seminar on management was organized for 12 participants from various areas and then two seminars of nine weeks each for the training of trainers, aimed at health and agriculture managers.

Other training interventions which took place that year are:

- a workshop on planning and management for the benefit of the managers of CEPLANUT (National Centre for Planning and Human Nutrition)

- A USDA-CENACOF seminar on integrated rural development at KIKWIT in the region of Bandundu.

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During 1985, several other seminars were organised for the benefit of:

- Officers of the Ministry of Health;
- Officers of the Ministry of Agriculture;
- Officers of the Ministry of Planning;
- Officers of the PNS (Northern-Shaba Project)
- Employees of ESTAGRICO;
- Officers of the Womens' Condition " Secrétariat d'Etat" (Seminar ordered by the MULPOC);
- Researchers and Heads of agricultural research stations from Zaire and the Congo.

CENACOF estimates that it has recycled 1,000 employees and managers since the beginning of its activities.

CENACOF can assess the training needs during consultations carried out within an institution. After negociations, the acknowledgement of the need can lead to the organization of a tailored training.

CENACOF also publishes its training timetable planned during the year and the people who are interested may then register.

The evaluation of the impact of the training received within a firm or department is carried out by way of appropriate questionnaires filled in by the employer on the one hand and by the employee who benefited from the training on the other hand. The conclusions drawn from those questions give the information about how the employees perceive the quality of the teaching given by CENACOF.

In order to ensure the efficiency of its training actions, CENACOF puts a particular stress on follow-up, on the assessment of the impact and on a theoretical and practical assistance of its previous participants in their work environments.

CENACOF is well-endowed in documentation and modern training equipment. A micro- computer has been ordered.

CENACOF trainers adapt to the zairean context the documents they receive through collaboration with USAID.

7.3. Clientele and conditions of admission

CENACOF trains managers who work in various Government Departments or public and private firms. People in charge of Small and Medium enterprises or private individuals can register for themselves. The participants average age is between 35 and 40 years.

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Participants come from Kinshasa, from the interior of the country and from foreign countries (Congo, Rwanda & Burundi).

The participants register at different themes put forward during the year on the basis of a registration card designed by CENACOF. It describes the participant's profile.

In principle, CENACOF automatically admits all the participants recommended by an organization, insofar as they hold a university degree.

7.4. Outside collaboration

CENACOF has benefited from active collaboration of outside organizations especially the USAID and USDA which send several consultants especially from the USA. However, no permanent consultant has been sent so far in 1987.

In addition to USAID, CENACOF has benefited from the collaboration of other institutions such as :

- The CIDEP-CPA for the organization of a seminar to train trainers and for the organization of a symposium on administrative decentralization and its impact on the training of regional project managers.

- The IDP (Africa Institute for Development) of Douala in Cameroun for another training seminar for trainers.

7.5. Comments

The "National Coordination Centre of Training for Development" (CENACOF), has, apart from its mission to train people in management, the mission to coordinate all the training activities organized by various management training institutions settled in Zaire.

According to the people in charge of CENACOF, no specific coordinating action has been undertaken until now. First because CENACOF is always in its structuring phase, it has not yet developed the necessary resources to insure that function. Second, no clear policy has been defined in that area nor the concrete attributions of CENACOF precised. Finally, CENACOF specifically avoids conflicts with other institutions, considering that up to now the kind of training it gives is not in competition with the one organized by the other institutions.

INFORMATION SUMMARY

1. Name of the institution	:	CENACOF
2. Address	:	22 Rue Mwene-Ditu
3. P.O. Box	:	3719
4. Phone n°	:	32316
5. Creation date	:	30 september 1980
6. Officers in charge	:	Cit. Prof. CHIZUNGU RUDIAHINDWA
7. Number of lecturers and permanent supervisers	:	6
8. Number of trainees	:	Not available (around 1000)
9. Subjects taught	:	Financial and material resources management, Human resources Management, Management planning and development projects assessment Interpersonal relations.
10.Tuition fees	:	Z 3.500 per day for each participant in Kinshasa Z 8.500 outside Kinshasa
11. Training methods	:	Praxis
12. Budget	:	Not available
13. Participants	:	Administrative staff employed
14. Registration	:	on recommendation
15. Technical and Financial supports	:	USAID - USDA
16. Short comments	:	Good training programme but mixed results because of internal management problems.

8. CONSEIL PERMANENT DE LA COMPTABILITE AU ZAIRE (CPCZ)

The "Conseil Permanent de la Comptabilité au Zaïre" was created on 3rd February 1965 by a Presidential order.

It is a public service working under the supervision of the Ministry of Finance.

The CPCZ includes an Accounting Training Centre named "FORCO".

The objectives of the CPCZ are as follows :

- disseminate the accounting standardisation principles relating to the new zairian accounting system;
- Organize refresher courses for professional accountants and bookkeepers;
- Design the accounting training program for secondary schools, universities and colleges;
- Organize an association of professionnal Chartered Accountants;
- Act as the General Auditor for parastatals and set-up an archive centre for their financial statements.

The secretariat General of the CPCZ is on the 1st floor of the SNCZ building, while all its other departments are sheltered within the school financed by the EDF on Av. BANSEKE, opposite to centre Nganda in Kitambo.

That school comprises 5 classrooms of an average capacity of 30 to 40 people each, one reading room and 10 offices.

The training equipment ordered by EDF has not yet been delivered and the continuous accounting training centre "Forco" is awaiting its real take-off.

8.1. Organisation

CPCZ was run by a Secretary General, Prof. KINZONZI MVUTUKIDI NGINDU until he was nominated Minister of Finance in August 1987. Prof. KINZONZI is still Secretary General of the African Accounting Council.

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There are two main sections in its organisation: the Assistant Advisory Board on the one hand, and the Administration on the other hand. CPCZ staff is composed of about one hundred members.

The 41 assistant advisors chair the seminars and other training sessions organized by CPCZ.

8.2. Services available

CPCZ organizes seminars in the following fields :

- financial accounting;
- cost accounting;
- financial analysis;
- budgetary management;
- inflation problem;
- foreign exchange problem;
- data processing;
- accounting organization;

This list is not restrictive. 5 seminars are provided for per year.

CPCZ organizes seminars throughout the year. Seminars lasting more or less 15 days take place generally in the afternoon from 14:00 to 17:00.

The training offered by CPCZ is theoretical as well as pratical in so far as lectures are followed by pratical exercises to ensure that trainees have understood the lesson.

The training takes place in CPCZ premises and not in the trainee's company. CPCZ does some follow-up or supervising actions within some enterprises. Sometimes case methods, prepared by CPCZ supervisors are used.

During the last three years, CPCZ has trained in its own premises almost 500 graduates from the "Institut Supérieur du Commerce" of the University of Kinshasa and from private schools. In addition it has organized accounting seminars for the employees of public companies such as SOZIR or MIBA and for the Ministry of Agriculture in Mbanza-Ngungu.

Other particular actions were carried out at the request of enterprises such as SOFIDE, REGIDESO, TABAZAIRE, OZACAF, OZERT, etc...

Some SMEs from various regions of the country call upon CPCZ to train their staff. Follow-up actions were carried out at BCA,

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TABAZAIRE, and Union Centrale des Coopératives de Crédit (UCCEC). The participants are awarded a certificate or a training testimonial.

The future projects of CPCZ are :

- The organization of a formal training program awarding a diploma of Chartered Accountant after 3 years of courses followed by 2 years of apprenticeship;
- The development of an audit training program for its own agents and the Financial Controller of the "Départment du Portefeuille" (Parastatal Management Ministry) and of the Ministry of Finance and Budget;

CPCZ prepares a large number of the training documents it uses, notably the syllabuses and other accounting forms and documents.

CPCZ regulary reviews the documentation to adapt itself to the requirements of the evolution of accounting. To this end, it has a library of a hundred reference books and audio-visual aids.

8.3. Applicants and Registration Conditions

Applicants for the training organized by CPCZ are :

- Accounting professionals working in enterprises which support all the fees relating to the training;
- Independent applicants;
- Students from secondary schools, colleges and the university.

Employers and independant applicants pay for the training whereas students receive a CPCZ apprenticeship premium.

Trainees are recommended by their enterprises or schools. CPCZ restricts the number of participants in a given sessions to 30 persons at the maximum. Their age varies from 25 to 40 years and they come from all over the country.

Participants are accepted without having to pass a test neither at the entrance nor at the end of their probation. Nevertheless, tests are organized during the training to make sure that lessons are understood.

CPCZ did not develop a particular system to collect the opinion of the employers, but it can find out from the synthesis tables and financial statements it receives whether the enterprise abides by the prescriptions of the national accounting system and, indirectly, whether the accounting training given was fruitful.

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8.4. External collaboration

CPCZ does not benefit from any external collaboration as regards the carrying out of its training programme. It operates with its own human and financial resources.

The contribution of the EDF, French and Belgian Cooperation in training CPCZ supervisors must nevertheless be mentioned.

8.5. Financing

Thanks to EDF, the continous accounting training Centre "Forco" has been endowed with some equipments. They still have to be delivered though.

CPCZ operates with a state subsidy of Z 2.000,000 each month.

The internal resources come from :

- fees of participation in seminars fixed at Z 5,000 per day and per participant;
- the sale of syllabus;
- the fines paid by private and public enterprises in the case of delays in forwarding copies of their accounting data to CPCZ.

8.6. Comments

The training role of CPCZ is not its main mission and accounting school "Forco" is far from being fully operational on a continuous basis.

At present, the 41 professionnals of CPCZ are too many and are not fully used. That is why they have been nominated a auditors in different public enterprises.

In matters of accounting, CPCZ could become a very interesting training structure when FORCO operates since it has probably the best qualified and available human resources outside professionnal auditing local firms.

However, CPCZ professionnals recognize their lack of experience in advanced accounting and the difficulty they experience at present in training more than bookkeeping employees.

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The building required for training exists but the training equipment and material ordered thanks to the EDF financing is not yet available.

CPCZ deplores the conflicts of competence which seem to exit between several accounting training institutions. It also deplores the absence of external sponsors from which other training centres profits. The contribution of sponsors could facilitate the acquisition of books.

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INFORMATION SUMMARY

1. Name of the institution	:	C P C Z
2. Adress	:	Av. BANSEKE opposite Centre NGANDA
3. P.O.BOX	:	308 KINSHASA I
4. Phone n°	:	24486
5. Date of creation	:	3rd February 1975 by Presidential order.
6. Persons in Charge	:	Cit. LUNDE MVULA AKIMANSIA Assistant Adviser in charge of training
7. Number of lecturers and permanent supervisers	:	414
8. Trained people per year	:	average 200
9. Subjects taught	:	Practical Accounting, Financial Analysis Data processing Budgeting management Accounting organization
10.Training methodes	:	Theoretical and practical
11.Operating budget	:	Not available
12.Tuition fees	:	5.000 Z per person and per day
13.Conditions of admission	:	High school graduates, Professional accountants
14.Registration	:	Upon recommandation or private individuals.
15.Outside Support	:	None
16.Short comment	:	Good for basic training in accounting. Not equipped for other managements aspects.

CHAPTER 6: RECOMMENDATIONS

1. MAIN PROBLEMS OF THE SMEs AND TYPE OF ASSISTANCE REQUIRED

In this section we summarize the major constraints and difficulties experienced by small and medium industries and we suggest a number of practical ideas for the type of assistance which could really help the small and medium industrial sector in Zaire.

Problems fall into two major categories, one which is probably outside the donor agencies'potential for assistance, at least in the short-term, namely the general economic situation, government policies and actions and a number of characteristics of doing business in Zaïre, the other which could be tackled by a well conceived and efficiently managed USAID project.

The major problems which can be addressed by a project such as the "Private Sector Project" fit into three categories :

- the cost and/or unavailability of input for production;
- the condition of the means of production;
- the cost of extending credit to the industries'consumers which impacts on market size.

The supply problem, namely the almost insufferable cost of lock-up of capital for import with the present Bank of Zaïre and Custom Office's regulations and the shortage of foreign exchange which is made available to SMEs is absolutely general and constitutes the major constraint.

Most entrepreneurs agreed that a project which would implement a reasonably priced financing scheme to give them a better access to foreign currency to purchase and maintain an inventory of raw materials and buy the spare parts necessary to rehabilitate their equipment would be a big help in the present situation. For instance a large percentage of the capital needed to open an import licence could be provided at no, or low, cost and the repayment terms for such a loan could be designed so they become affordable to small and medium sized entrepreneurs. The lender could, for instance, own the goods till delivery at which time the producer would purchase them and repay the advance in several installments, and at fixed foreign exchange rate. Funds in short supply would not be tied up for long periods of time, thus reducing the manufacturing cost. The agency could also provide, pledged on inventory, short-term foreign exchange credit at low interest and administrative cost or implement a system whereby it would retain ownership of inventories stored by the producers.

Some new industrial and equipment rehabilitation projects which look promising have been identified and the Agency could examine the feasibility of a medium to long-term financing mechanism for these projects, or of supplying some new or second-hand production equipment at a reasonable cost to the manufacturers.

The inflation and monetary depreciation now prohibits the industries to extend any kind of credit to their customers and receivables are, in some cases, representing an enormous cost to small industries. Some form of factoring whereby the small businesses would receive cash as soon as they invoice large and reputable purchasers and repay when they collect the payment would be a big help since it would allow them to increase their cash turnover and provide for the purchase of new raw materials for a subsequent cycle of production.

Purchases by large consumers of (usually imported) goods from wholesalers and traders according to the lowest-bidder rule of provisioning generaly associated with foreign project financing is viewed as counter-productive since those goods are often priced below what they should cost if all custom taxes were paid. Although enforcement of import regulations is rightly considered as outside any donor agency's potential for assistance, managers of small and medium local industries feel that all foreign donors should encourage, whenever possible, locally produced industrial goods, even if their price seem (economically speaking) to be higher. Foreign donors, when they design their financing assistance projects to large parastatals might insist that part of the equipment purchased with the loan be locally produced goods instead of financing big industrial projects only, where imported components represent the major, if not the only, use of funds.

The Donor Agencies could also finance the studies required to encourage the parastatals, instead of buying piecemeal, to systematically identify products and goods which can be manufactured locally at a reasonable cost and to set-up medium-term purchasing commitment, thus providing some stability in the market and enabling industries to invest in equipment.

Finally, although the entrepreneurs did not rank training very high, compared to financing, in their list of assistance priorities, the Agency could usefully provide some well-conceived (i.e. very practical) training in financial management techniques for the managers of the smallest enterprises.

2. CRITERIA FOR SUCCESS

Although we had always been extremely well received by the businessmen interviewed, there was a widespread and deep skepticism towards the actual results of the mission.

The reasons given to us for such an attitude can be summarized as follows and the final project design should certainly answer some of these concerns. Indeed, even if these statements sound unfair and are not true, they nevertheless represent the general opinion of the clientele that the "Private Sector Project" intends to assist and success often relies almost as much upon the delivery mechanism, and the perception the intended beneficiaries develop about a project, as upon the assistance package per se.

Most SME managers think that, so far, donor agencies have not demonstrated any real interest in the i) small ii) private iii) industry. Entrepreneurs estimate that financial assistance has, almost always, been directed towards the agricultural sector, the parastatals and the government organizations.

Donor agencies are perceived as unable, or unwilling, to make contact with private entrepreneurs and acquire a thorough knowledge of their characteristics, problems and needs, economic and social contribution and operating and management mode.

Assistance provided by donor agencies is viewed as too rigid, too bureaucratic and too general in purpose to be adapted to the operating characterictics and needs of the small and medium private industry.

The time and efforts required to submit a project for financing is viewed as too great and thus as unfeasible for small and medium entrepreneurs when they compare it to the chance of actually receiving assistance.

Assistance, when finally granted on principle is judged to take far too much time to actually reach the beneficiary and to be accompanied by too many expensive administrative constraints to be of real value.

Private entrepreneurs do not feel at ease with representatives of donor agencies they usually associate too closely with the government and they experience difficulties in finding a common management language, outlook and experience.

There is a general feeling that donor agencies prepare their projects without consultation with final intended beneficiaries and often "miss the point" by offering assistance packages which do not really answer the entrepreneurs' expectations and priorities.

Private entrepreneurs stressed that donor agencies usually require very tight guarantees and a proportionally large commitment from the private companies owners to grant a loan at rates which are seldom considered very helpful. They compare this attitude with what they see as an ineffective policy of free lending and/or outright

gifts to government agencies for project they consider largely uneffective in the actual results they produce and mismanaged in their operation.

Entrepreneurs stressed that donor agencies do not really try to promote and encourage use of locally produced goods in their projects and do not endeavour to document local capabilities.

Some basically sound provisioning regulations, such as the lowest-bidder rule, promoted by donor agencies are viewed as conter-productive in a country where there is a large number of suppliers who do not "play by the rule". In their view, it increases reliance on imports from traders.

SMBs, which survive by being fast and flexible to answer market needs, stressed that they need to interface with similarly oriented representatives of donor agencies with the authority to answer quickly and adequatly to their needs, rather than with persons which have to follow rigidly a centralized and lengthy decision process

To ensure success of the private sector project, three major conditions appear to be essential :

- build up confidence in the ability of donor agencies to deliver quickly an assistance package tailored to the needs expressed by the intended beneficiaries themselves;

- inplement a flexible projet preparation and administration structure operated by real managers with enough authority and adaptability to answer the industrialists'real needs;

- do not involve a government agency in the management of the projet.

3. RECOMMENDED PROJECTS

In the preceding chapters it has been concluded :

- that the availability of own financial resources, in comparison to the average investment cost, is insufficient and that the financial institutions (aggravated by Government credit restrictions) are ill adapted towards providing finance particularly for medium and long term projects;

- that the exchange risk burden on foreign currency debts places severe pressure on borrowers. This factor coupled with high inflation has the effect of eroding

the capital worth of businesses who do not make a sufficiently high return;

- that it is obvious that financing arrangements without technical assistance may place in doubt the success of a number of projects; and,

- that the small number of projects well thought out and which satisfy the criteria adopted by the financial institutions indicate clearly the lack of management expertise and financial know-how.

In spite of these real constraints and problems, some suggestions for assistance to the SMIs are discussed in the following sections. The recommendations deal both with the policy and regulatory issues requiring reform, which USAID could present to the Government, and with ideas of projects which could be directly implemented by the Agency.

3.1. Policy and regulatory issues

The fundamental issue today of primary concern in the context of the overall economy remains the question of the Government deficit. The drain on the resources through Government spending results consequently in the decrease of the financial resources made available to the private sector. To achieve this balance penal taxes and severe monetary policies are enforced which results in a heavy burden on the private sector.

Addressing the above situation, vis a vis the Government, may be beyond USAID's sphere of intervention. It must nevertheless be recognized that the issue is of such importance that unless it is corrected by the Government in the long run, the other suggested proposals for reform discussed below will remain of secondary importance and will lack efficacy.

Apart from the above, in order to foster development in the private sector certain other policy and regulatory issues need to be addressed at Government level. Such issues, if well conceived and implemented, would have the effect of inspiring confidence in the economy.

The policy reforms need to be clear, fair and geared towards long term economic growth. Equally important, the political will and commitment by the Government towards long term growth and investment needs to be seen and believed.

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USAID plays an important role in the private sector development in Zaïre. In this context it is well placed to take up and discuss a number of policy and regulatory issues with the Government. Such issues relating to economic and fiscal matters are briefly discussed below.

3.1.1. Availability of information

An investor coming to Zaïre does not readily have access to information pertaining to business in Zaïre on issues such as legal, fiscal, commercial and other administrative matters. Information is sparce and scattered at different sources ; i.e. information available at ANEZA, financial institutions, representative embassies, etc.

A promotional department should be set up (or alternatively existing facilities at ANEZA strengthened) to coordinate all the salient information and ensure that the system and structure exists whereby the available information is regularly updated. Promotional offices should also be set up in some of the principal cities in the world or alternatively, in the interest of economy, the Zairean embassies abroad should be issued with relevant documentation.

3.1.2. Investment code

The investment code and its application has given rise to some concern such as :

(I) The investment code is sometimes unclear in its application. It is suggested that the code contain examples to back up the contents and understanding of the documents. There have been instances where the fiscal inspectors dispute the method in which the average taxes, as stipulated in the code, should be calculated and disputes as to the actual date when production commences and hence the date when the tax exemption commences.

In order to improve this area, there should be better communications between the Inland Revenue and the Department of Plan.

(II) Better guidance should be provided so that the dossiers of potential and well deserved investors are not delayed because of bottle-necks in the administrative procedures. There have often been complaints by potential investors in this respect. The procedures should be accelerated and communications improved between the commission and the potential investors.

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It should not be forgotten that such investors often come from abroad and time needlessly wasted in Kinshasa, is an expensive proposition.

(III) A number of entrepreneurs believe that some of the companies established and benefiting under the code are not deserving cases. They believe that such companies are entering market sectors already saturated and unfairly compete because of exemptions of turnover taxes (CCA).

It is recommended that the investment commission publish statistics on those companies that have been recently granted the investment code. Details of the activity, level of investment and tax exonerations should be published so that the public can appreciate such matters. Secondly, exonerations to turnover taxes should be discouraged as other companies operating in the same sector are unfairly placed. Instead, the exoneration of taxes on capital investments (import duties) and corporation tax should continue to be granted but over longer periods particularly if retained earnings are reinvested in the business.

It is also recommended that purchases of second hand equipment qualify under the investment code. Currently there are restrictions and only acquisitions of new plant and equipment qualify as one of the requirements under the investment code.

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3.1.3. Department of Inland Revenue - Income taxes

The relationship between the Inland Revenue and the business sector leaves much to be desired. There is very little understanding and dialogue between the two parties.

The fiscal information very often lacks clarity and there is no well structured system of updating, documenting and diffusing the legal texts to the public. There is no central library where amendments and recent updates can be acquired. One has to depend on the press and subsequent diffusions from ANEZA. If there is any uncertainty and precision is required from the Inland Revenue, there is no public service to which such matters can be addressed. Clarifications have to be requested in writing and the replies, if at all received, can very often be ambiguous. In this confused situation the tax inspectors have their own interpretation on certain matters of the law. Their views can be very biased and the taxes (penalties) that they impose are very often unjust.

The above-mentioned matters taken together have soured the relationship between the Inland Revenue and the public. It should nevertheless be noted that a number of the particularly small businesses and those companies with no shareholding links with Europe and the U.S. (where a stict business code of practice is followed) do not consider business ethics as one of the priorities. Their financial records and tax declarations do not bear any resemblance to their actual trading situation. These companies do not contribute fairly to the state taxes. This unfortunate situation creates difficulty for the whole business community and partly explains the hard line attitude taken by the fiscal authorities.

The computer department of the Inland Revenue is inefficiently run. A number of tax payments made by companies are not credited to their respective accounts. The incorrect balances thereby arising (amounts due to the Inland Revenue) have to be taken up repeatedly with the authorities thus resulting in a major loss of time. Such imbalances automatically result in the tax clearance certificates being blocked. The tax clearance certificate, which requires to be renewed every four months, is necessary if a company is to engage in any foreign exchange transaction with the commercial banks. The absence of a certificate therefore for whatever reason can bring a company's activity to a virtual halt.

Radical improvements are needed if investor confidence is not to be destroyed. The international companies and a number of the local companies are not against paying taxes but believe that the tax mechanism should be fairly operated. They realize that the taxes form a major part of the Government's revenue and paying their fair contribution is what assures their continued existence and future business in the country. They are, however, opposed to the idea of some companies evading taxes in a major way and the breakdown in the

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administrative structure which permits such companies escaping control.

It is recognized that improvements cannot be achieved overnight. The administration, however, should set up a definite plan of action and long term objectives in order to correct these fundamental problems. Particular attention should be given to improving controls at the computer department. Furthermore, training programs should be held for the benefit of the tax inspectors so as to ensure that their controls are more efficient. A high powered task force or advisory team should be set up with the objectives of improving the management and administrative controls at the Inland Revenu. The members of the task force should meet with various businessmen and organizations for a consensus of opinion and trouble shoot in problem areas. The cost of such controls will not be significant and once again the international lending organizations could be approached for funding possibilities.

In addition to the administrative role and improvements suggested above, it is recommended that three specific issues of the tax code be clarified viz (I) the law on revaluation of Property, Plant and Equipment ; (II) the treatment of exchange losses for fiscal purposes ; and (III) the tax deductibility of training costs.

3.1.4. Property, Plant and Equipment (PP&E) revaluation

The law on the PP&E revaluation was promulgated so that companies could revalue their assets to take into account primarily the devaluation of the local currency. In so doing, higher amortization charges were recognized in the financial statements which were treated as deductible expenses. The corporation tax was therefore fairly computed on the current operating income and not on historical profits (with low historic amortization charges). The law therefore had the effect of protecting the enterprises net worth and ensured that taxes and dividends were not effectively being paid out of capital.

Since the 1983 devaluation of some 480 %, the law on revaluation has not been modified to take into account this factor and consequently companies are no longer protected against capital depletion. It is recommended therefore that this law be urgently re-examined to take into account the current economic situation.

The Government should also study other means of reducing the fiscal burdern on enterprises eg :

(I) reducing the basic income tax rate from 50 % to 40 % ; or

(II) providing 100 % tax allowances (full write-off) on the acquisition of productive fixed assets.

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3.1.5. Exchange losses

The fiscal treatment of exchange losses requires urgent clarification. The fiscal standpoint generally taken is that exchange loss provisions are disallowed as tax deductible expenses and are only recognized once the debt is effectively settled. As far as the accounting and fiscal treatment is concerned, the difference is only that of timing of the loss recognition.

It is recommended, that the fiscal authorities accept the recognition of the loss at the moment of the exchange loss movement. If such a loss is not recognized at an advanced stage, the effect could be damaging to the enterprises concerned particularly those heavily in debt in hard currency with SOFIDE or with any other donor organization or parent company.

3.1.6. Training costs

The lack of qualified personnel is a fundamental problem in Zaïre. Training must therefore be featured as one of the priorities in a company's management plan.

The fiscal inspectors often take a hard line and reject training costs as disallowable for tax purposes. Such costs are reintegrated as salaries (benefits in kind) and additional taxes levied.

It is recommended that training costs should no longer be treated as disallowable as this will have a negative effect on the overall economy.

3.1.7. The Central Bank (Banque du Zaïre)

For the benefit of the commercial banks and public, it is important that the Government code relating to the exchange control regulations be readily available.

The Central Bank or the Department of Finance does not provide a comprehensive code containing the exchange control regulations. Exchange control regulations and amendments thereto are made in the way of circulars. At any given time it is difficult to ascertain the completeness in the total number of circulars.

It is recommended that the Central Bank codify all the circulars in one complete document. A system should be set up whereby subsequent amendments and inclusions are properly handled and distributed. Such a document should be available for sale to the public.

3.1.8. Credit Unions (CUs)

The CUs have the potential of playing a significant role in the economic development in Zaire particularly in the SMB sector. They are able to cater to a large extent to the needs of the SMB sector, the latter of which is very often ignored by the commercial banks.

In order to foster growth, it is important that the CUs are brought under proper management control. The control and administrative links which tie the commercial banks with the Central Bank should also be extended to the CUs. To date, the CUs have not been under any form of control and consequently have suffered due to bad management.

It is recommended that the CUs come under the control of the Central Bank. Their statutes need to be reviewed and management and reporting requirements set up. Additionally, training programs need to be set up in order to improve the staff and management calibre.

3.1.9. Long term funds in local currency

Institutions such as SONAS and INSS should be required to place a certain portion of their long term funds with SOFIDE and the BCA. Such funds could then be on-lent for development purposes particularly to the SMBs.

In addition, SONAS and INSS should be subjected to regular audits so that the public is aware of the utilization of their funds and can better evaluate the management performance of the institutions.

3.1.10. Commercial Banks

The commercial banks do very little or no business with the SMB's. This situation must change if development of the SMB's and the overall economy is to be fostered. Financial incentives, however, need to be provided to the commercial banks in order to effect such a change in practice.

The commercial banks could be encouraged to take up additional business with the SMB's if such business in the form of loans and overdrafts were made outside the credit ceilings. Alternatively, the CUs could be encouraged to place funds with the commercial banks. Such funds should not be subject to the reserve requirements and, in addition, should be allowed to be on-lent to the SMBs outside the banks own credit limits.

The placement of funds with the commercial banks is recommended if this can be made to generate further activity. Currently the funds of the CU's are placed with the Central Bank (Treasury Bills) and the depositors are not remunerated adequately. The surplus income has often been depleted because of fraud or inefficient management

3.1.11. OPEZ

OPEZ was set up by the Government in order to provide technical help to the SMB's. A guarantee fund was also set up to cover eventual non payment of loans. The functioning of OPEZ and the fund was supposed to be guaranteed by the State in the way of regular subventions.

The above subvention has not been forthcoming and OPEZ has been unable to perform its desired function.

USAID should emphasize the importance of the presence of OPEZ and strongly recommend that the Government regularly fund the organization. In order to assure regular flow of funds the Government should link such resources to the tax receipts of enterprises such as OZAC (import tax contributions). A regular flow of a percentage of OZAC's income or that of any other Government department would ensure the survival of OPEZ.

3.1.12. Financial and Tax Incentives

An important factor to growth particularly in the interior is the existence of a good infrastructure. Office des Routes, however, does not have the resources to ensure the adequate upkeep of the roads and bridges in the interior.

The Government should be encouraged to provide tax and financial incentives (through parafiscal taxes already levied) to the local communities and businesses in the interior to ensure the maintenance of the roads and related services.

3.1.13. Enforcement of Garnishee Orders

The financial intermediaries will very often not lend to the SMB sector because the securities which they hold (title deeds and mortgages over property) cannot be enforced as a result of non-payment of a debt. The process of reclaiming against debtors is a time consuming and costly exercise.

The legal authorities should be approached on this subject and any such constrictions within the enforcement procedures should be regularized. The law should make it clear that borrowers are

committed to repay and that any security offered can be quickly enforced in the case of non-respect in the reimbursement program.

3.2. Suggestions for possible USAID assistance projects

3.2.1. World Bank - Small Enterprise Development Project

The proposal and recommendations made by the World Bank (IDA) in its recent staff appraisal report on the Small Enterprise Development Project is of particular interest. The report results from a thorough research, the plan of action is well structured and the report has been agreed in principle by the Government of Zaïre.

It is recommended that USAID examines further this document and ascertains to what extent the mechanisms satisfy its own requirements and conditions for technical and financial support to Zaïre. The pooling of such interests and the consolidation of resources would have the advantage of establishing a unique and standard plan of action. This would reduce unnecessary bureaucracy and administrative problems at Government level in monitoring its obligations.

3.2.1.1.The IDA scheme

The proposed project, a credit of $ 25 million to the Zaïre Government has three components :

- an investment component;
- a technical assistance and training component; and,
- the establishment of a Project Management Unit.

The size of the projects eligible to benefit from financial assistance under this scheme has been established (investment worth not exceeding $ 350.000) as well as the type of projects that would qualify under the scheme (projects adding to the economic development of Zaïre).

The proposed credit will be used largely to finance investment, but a limited amount also would be reserved for working capital requirements. Those projects eligible to such credit would have to prove financial and economic viability in their budget plan; a minimum financial rate of return of 10 % in real terms needs to be achieved.

The IDA credit would be made to the Government of Zaïre and

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would be channelled via the Central Bank, on to the financial institutions and finally to the beneficiaries in the SMB category.

The exchange risk on this credit facility will be borne by the Government of Zaïre. The onlending rate to the financial intermediaries will be based on the rediscount rate in force.

The financial intermediaries would be responsible for identifying those projects which qualify and require such financing. The term loan which will be granted will not fall within the ceilings control of the Central Bank and nor will such term loans need to be covered by term deposits. The financial intermediaries will be free to set their own lending rates to the SMB borrowers.

The Project Management Unit (PMU) to be established would centralize the IDA credit financing and would link the Government/Central Bank with the financial intermediaries/SMB borrowers.

The financial intermediaries would be responsible for preparing the appraisal reports (loan requests) for those SMB borrowers that qualify for lending. These appraisal reports will be examined by the PMU and if approved, a rediscount authorization will be granted which will enable the financial intermediary to obtain the necessary credit at the Central Bank.

The financial intermediaries would be responsible for supervising and monitoring the evolution of the subprojects and would be required to make at least yearly progress reports to the PMU. The PMU would also be given the right to conduct its own selective supervision of the SMB subprojects, and coordinate the technical assistance rendered to such projects.

The IDA credit line for the benefit of the SMBs also incorporates technical and training assistance to the latter. Institutions such as CEPETEDE, ANEZA, OPEZ would initially benefit from resources for training and are expected subsequently to play an active role in assisting the SMBs in preparing loan applications, in dealing with the banks and in providing whatever assistance is needed to enable the SMBs to better fulfil the functions for which they were created.

The PMU would be a separate unit set up within the Central Bank and for administration purposes would report to the Governor of the Bank.

The IDA would initially finance the operating costs of the PMU (a component of the credit line) but the main revenue would be generated by a 1 % spread on the loans disbursed to the financial intermediaries. The function of the PMU would be :

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To provide guidance at the level of the financial intermediaries in selecting the appropriate subprojects; to ensure that the technical assistance program is correctly functioning and that guidance is provided to the intended beneficiaries;

- To review the eligibity of applicants and to authorize the release of funds under the terms of the IDA document; and generally to ensure that the terms and conditions of the IDA credit line are being observed.

The IDA would cover only 67 % of the total project cost. The remainder of the project financing has to come out from the borrowers' own funds or loans taken through the participating financial intermediaries.

3.2.1.2.Comments on the IDA proposed scheme

The IDA staff appraisal report is a detailed document which presents a workable solution towards providing financial and technical assistance to the SMBs. Its orientattion towards investment rather than working capital does not solve the main present problem of the local SMIs though.

The idea of filtering down the funds through the commercial banks, development banks and eventually the Credit Unions will ensure a wider distribution and would further the development in the rural areas.

An area of some concern, however, remains the status of the PMU and its eventual performance.

The PMU role is critical in the whole operation in ensuring the success of the project which is to direct help and foster the development of the SMBs. The role of the PMU would be better managed if a legal entity was set up eventually. Such an entity would probably function better if it were a mixed enterprise with national and foreign shareholding rather than a Department of the Central Bank.

Some of the factors to be taken into account when setting up such an entity are :

- Creation of the entity as a financial institution (thus bringing it under the control/supervision of the Central Bank) or as an orientation and audit organization;

- Setting up the legal entity under the investment code or obtaining certain fiscal benefits at least at the inception stages;

- The entity should not deal in direct lending to the beneficiaries i.e. it should remain independent to monitor the lenders' performance in complying with the IDA scheme lending conditions ; and,

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- The entity should operate as a profit-making enterprise.

Another area of concern is the net margins foreseen which the financial institutions will make on relending. The net rate of 7 % is arrived at by assuming borrowing at the rediscount rate of 30 % and lending at 37 % to the SMBs. In this regard the "marché monétaire" rate of 24 % would seem more appropriate than the rediscount rate of 30 % which is currently not applied.

The net return of 7 % may not appear very healthy for the banks particularly as the lendings are made to the SMBs with certain inherent risks involved. The banks may not be tempted at this "low" rate. If the rate of return proves to be a barrier, USAID should consider to what extent a loan guarantee mechanism can be set up which will render the package more interesting to the financial institutions.

The IDA proposed scheme merits further discussion and follow-up. The general operating framework is acceptable although a greater share of the available funds should be set aside for working capital; what is now needed is that the various government donors/lenders interested in the SMBs consolidate their resources and efforts into recognizing and setting up a unique financial and training mechanism towards directing growth in the economy via the SMBs.

3.2.2. USAID lending via SOFIDE

A scheme somewhat similar to the World Bank' Small Enterprise Development Project could be set up, except that the lending would be entirely handled by SOFIDE.

The scheme would have, however, two distinct features differentiating it from the World Bank scheme viz:

- The exchange losses on the assumed USAID loan facility would not be borne by SOFIDE nor the Government. This would make the deal less interesting and would in fact not be too tempting to SOFIDE who already has large foreign exchange funds for lending.

- The funds in this instance would be channelled and limited only to SOFIDE. The eventual distribution of such funds would be less efficient because SOFIDE does not have the network and resources to penetrate a wide sector of the economy in Zaïre that the commercial banks possess.

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In order to combat the exchange loss risk USAID would have to study the possibility of instituting an exchange guarantee fund. Such a scheme is now being considered by the Government but its practical mechanism is still very much at its infancy stage. USAID would have to insist that such a scheme be operational or else the loan package to SOFIDE would not be of much interest.

In lending via SOFIDE, USAID would have to take certain precautions and ensure that the loans are actually made only to qualifiable projects. USAID would have to have a representative at the SOFIDE management level who would monitor the financing and administration of the said loans. Alternatively USAID could request that all proposals be eventually channelled through it for final approval.

The funds committed would also need to be placed in a separate bank account, the use of which would have to be strictly controlled and regularly audited. There would have to be sufficient assurance and guarantee provided to ensure that such funds are not "mixed" and "lent" to other funds within SOFIDE even on a temporary basis to cover other lenders deficits. A complex and detailed loan document needs to be drawn up by legal advisers ensuring that USAID is fully protected.

The monitoring of such a facility ensuring that the beneficiary is respecting the lenders/donors intentions and requirements would require some manpower support which would not be without its costs. USAID would have to establish whether it has the available resources in Zaïre or whether it would contract out such a service to a third party.

3.2.3. Loan guarantee mechanisms

Loan guarantee mechanisms can be established in various forms. It should be noted, however, that loan guarantees are only applicable where credit risk, real or perceived, is a factor preventing the flow of credit to the target sector. Loan guarantees will not affect the availability of funds.

The availability of funds both for project finance and working capital particularly for the SMBs is a severe constraint. The only available source of term loans is SOFIDE but such loans are designated generally in foreign exchange and consequently have the exchange risk factor attached. A loan guarantee mechanism has limitations in Zaïre and consequently we shall only touch briefly on the subject matter.

Two program models which could be of interest should funds be available but where security needs present a problem are :

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3.2.3.1.Direct Guarantees

In this form of loan guarantee program, USAID would act as the direct guarantor to the loans made by the financial institutions. Agreement would be reached between the financial institutions and USAID on the selectioning, monitoring of the loan applicants and other conditions as to the settlement of claims.

USAID could work directly with the financial institutions or use an organization to monitor the program. The monitoring would consist of approving the loan requests, checking the guaranteed portfolio on an ongoing basis, reviewing the lending and collection procedures and finally evaluating the guarantee claims and authorizing payments.

A fund would have to be set up on deposit initially capitalized by USAID for the purposes of effecting the guarantee payments. The fund could be topped up subsequently by borrower fees to ensure its continuity and growth in relation to the loans guaranteed. The fund should become self sufficient and the fee income plus interest should cover therefore the claims paid.

The direct guarantee scheme is simple to apply and gives USAID a clear picture of the whole program. The drawback is that it requires major follow-up on the part of USAID and that furthermore the program would only last while USAID supported it. The program does not necessarily lead to institutional growth and further lending to the target sector unless other institutions and organizations found it rewarding and continued with similar loan guarantee programs.

3.2.3.2.Central Bank Guarantee Fund

The alternative of not getting directly involved in the guarantee fund is to get the Central Bank to monitor the fund. The mechanism would largely remain unchanged in regard to the criteria for loan lending, maintaining the guarantee fund, etc.

In Zaïre, the Government has already started such a guarantee fund which is controlled by OPEZ. However, the financing of this Fund remains a problem and it cannot be considered operational yet.

A certain mechanism and structure is nevertheless already in place and USAID could usefully use the facility, but should first ascertain the management and control of the fund currently installed.

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3.2.4. USAID support to financial institutions

In order to further development of the target sector (SMBs), USAID could provide financial support in the form of loans and guarantees to the financial institutions to enable the latter to increase the amount of foreign currency for import licences they make available to the SMBs. Whatever support or scheme is established, it should be ensured that its effect is not diminished by the monetary policies and controls enforced by the Central Bank (credit ceilings, reserve obligations etc).

A useful support by USAID would be in the area of importations through letters of credit. Banks can open L.C.s without taking in full provisions. There are two risks, however, viz :

- The customer does not have funds at maturity. The R.O.E. movement could be severe and, likewise, the client may not have funds at maturity.

- The banks may not have the forex at maturity.

USAID could guarantee the first above-mentioned risk pertaining to the availability of forex prevails.

To be effective and ensure that a large number of SMBs receive such help, the mechanism would become cumbersome and administratively time consuming.

Such a scheme would be very useful to the SMBs but the administrative cost would be significant as one has to deal with a large number of import dossiers albeit of small individual values. Furthermore, such a scheme only results in very short term finance and does not respond to the SMBs long term needs.

3.2.5. USAID support to Credit Unions

The C.Us play a very important role in Zaïre because of the value to which the members subscribe to savings. There is therefore potential development which can be achieved in the private sector in productive investments through savings and improving the mechanisms of savings.

The C.Us are in urgent need of technical and management help. USAID in conjunction with other donors could play a useful role in getting the Government to appreciate the potential growth in this area. Pressure should be brought for reforms and controls so that the C.Us can operate in time as efficiently as the other financial insitutions.

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Help on the part of USAID is not foreseen purely on the financial front but more so in the area of management and technical support. The management competence and controls of the C.Us cannot be changed overnight particularly if one takes into account their structure, size and areas in which they operate. The staff and management training programs could take years but such measures need to be taken if the C.Us are ever going to operate on a sane basis.

Initially it may not be realistic for the CUs to take on the role of commercial credit assessment and control since the commercial banks themselves have enough difficulty in this role even with their existing experience. USAID should look into ways on how the CUs and commercial banks can usefully enter into mutual financial engagements. The surplus funds from the CUs for example could be placed with the banks on deposits for which exoneration from the Reserve Requirements should be requested. The banks could use such funds to support SMB projects on behalf of the CUs. The banks could therefore use their technical capabilities but employ funds of the Cus.

3.2.6. Establishing Trading Cooperatives

A significant amount of business is conducted at a level below the criteria and parameters of the SMBs. Such businesses are financed, if at all, by the C.Us. There is further potential for growth if such small units were grouped into larger trading cooperatives.

USAID could look into ways of how such units could be consolidated into larger development units. Management and technical help is more important initially in evaluating the organization and management structure of such an organization. Once the structure is in place and the market ascertained (fish production, furniture making, agricultural development etc) the financial arrangement would not be a major obstacle.

3.2.7. Practical management training assistance

Finally, USAID could help finance or organize a practical training program for the smallest entrepreneurs.

This training should deliver in very concrete terms some basic notions about the management principles and techniques which are directly applicable to the day-to-day needs of SMIs' managers. Past experiences show that it would probably be counter-productive to try, at this stage, to develop a "Business School cursus" for this type of clientele.

Basic accounting methods, treasury management, cost control, evaluation of small investment projects and relations with commercial banks are undoubtedly the most needed courses.

The documentation of the local existing training institutions which was carried-out in the course of this project might help USAID select the organization most suitable for this type of training and most receptive to the pedagogic methods to be used to successfully answer the needs and characteristics of the intended audience.

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

(U S . A I D)

PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

(660-0510)

PRIVATE SECTOR OVERVIEW

SURVEY OF CAPITAL MARKETS AND FINANCIAL INTERMEDIARIES

SURVEY OF TRAINING NEEDS AND RESOURCES

(CONTRACT N° 660-0510-C-00-8051-00)

FINAL REPORT

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DECEMBER 15, 1987

Coopers
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APPENDIX 1

TERMS OF REFERENCE

ATTACHMENT 1

STATEMENT OF WORK

I. Background

Zaire's future prospect for higher living standards depend greatly on growth among her private enterprises. In view of this, USAID/Zaire has made private enterprise development a high priority in its future program of economic, financial, technical and managerial assistance. However, there is substantial agreement in the mission that the design of a strategy and of programs in this sector requires a number of action-oriented studies to provide the data base necessary for decisionmaking.

USAID is currently conducting a thorough review of its long term private sector objectives and strategy with a view to providing concrete guidelines and specific recommendations for private sector program and project design over the next five years. Updates and additions to the information base, and further analysis of the implication of the findings, must be made in the following sectors:

1) Investment climate assessment;

2) Private sector overview;

3) Capital markets, financial intermediaries and management assistance resources;

4) Donor objectives, priorities and programs;

5) Private sector training needs and available training resources;

6) Private sector implications of the current USAID portfolio and,

7) USAID mission structure and staffing.

USAID will carry out tasks 1), 4), 6) and 7) with internal resources and will utilize outside local management consultants to conduct tasks 2), 3) and 5), although the final results will be consolidated in an integrated approach to private sector needs and possible USAID responses.

The objectives pursued by the three interrelated studies designated as appropriate for assignment to outside consultants and the scope of work to be completed for each are presented below.

II. Objective

The Consultant's objective will be to provide specific, practical and actionable recommendations through the development of an integrated and well researched view of private sector development prospects. The recommendations will then be used by USAID to design a private sector promotion strategy and to develop programs and projects for future implementation.

III. Scope of Work

A. Prepare Private Sector Overview Report

1. Objectives

a. Provide a private sector overview identifying practical opportunities for USAID development initiatives.

b. Recommend practical action programs directly responsive to these needs.

2. Scope of Work

a. Carry out background economic and business research focused on private sector development activities and trends.

b. Conduct private sector interviews and plant visits, and obtain views of commercial and development bankers.

c. Describe structure and investment opportunities in key segments: agriculture, agroindustry, light industry and services, including health.

d. Develop private sector profiles for a cross section of businesses in each of the major segments.

e. Assess and prioritize private sector development needs, opportunities and successful strategies by segment, geography, ownership and size.

f. Recommend and prioritize USAID private sector development opportunities, strategies and initiatives which respond to identified needs.

g. Identify major policy reform areas and issues for stimulating private sector development.

This part of the assignment will be conducted through in-depth interviewing with a sample of small to medium-sized established entrepreneurs in the regions of Kinshasa, Shaba and Bandundu. The proposed sample will be submitted for approval to USAID at the beginning of the study. Small to medium-size should be defined as enterprises with between 10 and

100 employees with established premises, assets of no less than 1,000,000 zaires and whose capital is, in majority, privately owned. In addition, the full-time manager should have at least a share of the ownership of the firm.

The sample of private enterprises will primarily be drawn, in the production sector, from the agro-industrial, light manufacturing and building and construction companies, and in the service side, from the transportation, maintenance and repair, training and health care operators.

The Consultant will divide the sample of firms studied across ethnic and cultural groups, to the extent that the firms are associated with such groups, and will study the correlations between cultural groupings and business practices. The Consultant will also investigate the extent to which the firms studied are parts of networks of firms grouped by social or ethnic ties, rather than operating atomistically.

The interviews will be conducted in the city of Kinshasa, for the region of Bandundu in Kikwit, Idiofa, Bulungu, Masi-Manimba, and Mangai, and, for the region of Shaba, in Lubumbashi, Likasi, Kolwezi, Kamina, and Kalemie. Outside Kinshasa, no less than three private entrepreneurs in each location and for each sector selected will be contacted and their operations, prospects and difficulties studied in detail. In Kinshasa, this number will exceed five. The size of the total sample will be determined in consultation between the Consultant and USAID during the first week of work, and will include approximately 80 to 150 different cases.

B. Survey of Capital Markets, Financial Intermediaries, and Management and Assistance Resources

1. Objective

Describe the structure, strategies, weaknesses and utilization of capital markets, financial institutions and business service organizations available in Zaire for providing equity, loans and working capital financing for private sector development.

2. Scope of Work

a. Describe and evaluate capital markets, particularly with respect to how business is financed.

b. Evaluate and assess capabilities and involvement of commercial and development banks in private sector development.

c. Review importance and activities of informal financial intermediaries.

d. Identify and assess capabilities of business advisory and assistance services.

e. Identify major policy and regulatory issues in the finance and banking sectors which hamper private sector development.

f. Draw conclusions and make recommendations for involvement of financial and services organizations in USAID private sector development program.

The evaluation of the capital market and financial intermediaries will draw heavily on the numerous studies which have been conducted on this sector of the Zairian economy, on interviews with USAID and U.S. Embassy personnel familiar with this sector, and on the Consultant's experience with the banks and the international and national financial institutions. Additional interviews needed to update the information available, to center on the aspects most relevant for this mission, and to detail the major areas of concern must be approved by USAID.

The Consultant will also collect information on credit cooperatives, private moneylenders, trade credit supplied by nonfinancial enterprises, and the informal, nonbank financial sector in general. In so far as possible, the Consultant will attempt to determine the clientele served, sources and uses of funds, the cost of funds to suppliers and users, and the earnings from lending or intermediation.

C. Conduct Private Sector Training and Development Needs and Resources Survey

1. Objective

Assess private sector training and development needs, evaluate available resources, and recommend strategies and programs for supporting private sector development.

2. Scope of Work

a. Draw conclusions of private sector training and development needs from survey studies.

b. Identify and assess capabilities of existing institutions, inside and outside Zaire, able to respond to private sector training and development needs.

c. Draw conclusions and make recommendations for use of training and development institutions for private sector development in such areas as feasibility analysis, systems design and installation, technical assistance, short-term consultancy and specialized training courses, medium and long-term formal training, and short-term resident internships.

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d. Recommend content and use of public-private sector seminars for fostering dialogue and encouraging policy reforms.

During the course of the interviews with the representatives of the private sector and the financial intermediaries, the evaluation of the need for technical and managerial training and human resource development will be stressed. The amount and the type of training required and the priorities will be addressed.

A detailed survey of the resources and institutions available in Zaire for the training of adults will be conducted. Their present operations, results, capabilities and constraints as well as their development or improvement prospects and programs will be assessed and compared to the findings of the training needs survey.

In addition, a documentary research of the programs offered by institutions outside of Zaire will be carried out to identify potential alternatives for the training of existing and potential Zairian private entrepreneurs.

D. General Methodology

The Consultant will conduct the three studies under consideration simultaneously and will integrate the results of the data gathering and analysis phase to present a complete and coherent background for the development of meaningful, practical, coherent and actionable recommendations for USAID private sector strategy and program or project development.

The Consultant will maintain close links with USAID and to ensure the integration between the three interrelated aspects of the mission through assigning as project supervisor a business expert who will reside in Zaire and will coordinate the work accomplished, in parallel, by three teams of consultants who will cover simultaneously the private sector overview, the capital market and financial intermediaries survey and the training needs and resources assessment in the three selected regions, Kinshasa, Bandundu and Shaba, over a period of five to six weeks.

The synthesis of all the information available, the development of recommendations for action, the preparation and discussion of the final report will require an additional four weeks.

1. Orientation

In the first week of work, the Consultant will identify, locate and collect relevant documentary information for preliminary analysis and determination of areas and subjects requiring additional or more detailed research. The Consultant will discuss with USAID the proposed sectorial and geographical sample of private sector entrepreneurs and financial intermediaries

representatives to be interviewed in the three regions and the content and scope of the prepared questionnaire.

The Consultant will prepare a detailed work program for the data gathering phase in the first week of work.

2. Data collection and analysis

During this phase the Consultant will identify potential interviewees, make contact, organize and conduct the interviews, according to the program agreed upon by representatives of USAID.

For each interview, the Consultant will prepare short case studies documenting the background, operations, financial and managerial characteristics of the enterprises and the opinions, comments, prospects, needs and expectations of the entrepreneurs.

In general, the Consultant's reports will take the form of case studies rather than overall, statistical summaries. To the extent practical, the Consultant will synthesize several (e.g., 5 to 10) typical business profiles based on similarities within subgroups of the whole set of case studies.

The Consultant will study the documents available and will synthesize their content pertinent to the context of the study.

At regular intervals during this phase, the Consultant will inform USAID of the tasks accomplished, the results obtained or difficulties encountered and proceed to any necessary adjustment. In addition, these contacts will allow the Consultant to familiarize itself and to take into account the results of the other four information tasks which USAID will undertake internally.

3. Synthesis, definition of priorities and preparation of preliminary report on findings

The Consultant will document all the information collected during the previous phase in three preliminary reports and, based on its analysis, will present and comment on the major findings in an integrated view of the present situation, needs and attitude of the private sector reviewed and of the general external environment for business.

4. Presentation of the findings

Although regular informal contacts will be maintained with representatives of USAID during the course of the study, the consultant will meet with USAID at USAID's offices in Kinshasa at the end of the data gathering and analysis phase to discuss the findings and the orientations these are likely to give to the second part of the work, whose purpose is to develop recommendations for USAID's future action programs towards the private sector of Zaire.

5. Recommendations and detailed action plan

This phase of the study is the most important since its objective is to develop, justify and propose to USAID specific, coherent and actionable recommendations for the design of a strategy for action and for the preparation of private sector programs and projects over the next five years.

The Consultant will make recommendations and suggestions covering a range of potential areas for action to promote the development of the small and medium-sized private sector in Zaire, including the external regulatory and financial environments and the various aspects of their operations and management.

The Consultant will strive to remain practical and precise in the formulation of the suggestions for action and to limit the general ideas to the minimum required for a good understanding of the overall context of constraints to be addressed, or promising opportunities to be capitalized upon, to successfully promote the development of a viable and healthy private sector in Zaire.

In framing recommendations, the Consultant will consider:

--- Legal or regulatory limitations on direct relations between USAID and private enterprises in Zaire;

--- USAID's desire to support the economic reform program that Zaire is undertaking with the assistance of the IMF and the World Bank; and,

--- The implications for USAID's overhead (management) costs per dollar of financial assistance.

If programs that are otherwise desirable appear to the Consultant to be problematic for any reasons such as the above, the concerns will be noted in the recommendation.

IV. Reports

A. Detailed Work Plan

By the end of the first week of work, the Consultant will present USAID a written, detailed work plan for the remainder of the Scope of Work, and will discuss this work plan with USAID at USAID's offices in Kinshasa.

B. Preliminary Report

The Consultant will prepare a preliminary report of data gathered and tentative conclusions reached and further work to be performed by the end of

the seventh week from the beginning of the contract. This report will be primarily an oral presentation to USAID at its offices in Kinshasa, with written documentation as needed to support the oral report.

C. Final Report

The first version of the final report, in the English language, will be submitted in ten (10) copies by the end of the tenth week after the beginning of the assignment, or tentatively by May 30th 1987.

A formal presentation meeting with USAID will be arranged a few days after the ten copies of the final report have been submitted to allow for study of its content and preparation of the discussion. The consultant will endeavor to take into account all remarks and suggestions developed during the discussion and incorporate them in the final version of his assignment report which will be submitted to USAID/Kinshasa within one week.

V. Personnel and Level of Effort

The Consultant will field a team with two key members: the Private Enterprise Analyst and the Financial Sector Analyst. The Consultant is requested to assign as key personnel for this project:

Private Enterprise Analyst - Mr. Loup Brefort
Financial Sector Analyst - Mr. Paul DeSouza.

In any case, the Consultant will make maximum use of experienced business experts who possess in-depth and wide knowledge of business conditions, constraints and opportunities in Zaire based on several years of professional experience in the country. USAID will approve the key members of the team individually, and the Consultant will not substitute other professionals for key team members without USAID's approval.

Minimum levels of effort required from professional staff on the team will be as follows:

Private Enterprise Analyst	-	35 work-days
Financial Sector Analyst	-	35 work-days
Other Professionals	-	100 work-days
TOTAL	-	170 work-days.

The division of this total level of effort between the three major activities described in part III, above, will be presented by the Consultant in the detailed work plan at the end of the first week of work.

APPENDIX 2

IDENTIFICATION OF SMALL AND MEDIUM ENTERPRISES IN BANDUNDU, KALEMIE AND KAMINA

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: COOPERATIVE DE LOKALAMA ? employés
Achat et vente produits agricoles
ADRESSE: Centre Lokolama, BANDUNDU
NOM DU DIRIGEANT: Pères Scheut

NOM: COOPERATIVE/TAKETA ? employés
Achat et vente produits agricoles
ADRESSE: Centre Taketa, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: ITUTU, Ets 10 employés
Achat et vente produits agricoles, Elevage
ADRESSE: B.P. 57, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. ITUTU Mbwisi

NOM: NGYAMA, Ets 20 employés
Achat et vente produits agricoles, Pisciculture, Elevage, Plantation café
ADRESSE: B.P. 44, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. NGYAMA Kavula

NOM: SOCOBE, Ets ? employés
Achat et vente produits agricoles, Production agricole
ADRESSE: TOLO, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: COMAGRILAC, Ets. ? employés
Agriculture, Commerce général
ADRESSE: B.P. 300, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: KOSA NGAI, Ets ? employés
Artisanat
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MAKWA Monya

NOM: MILITA (Boulangerie Milita I.B.L.), Ets ? employés
Boulangerie
ADRESSE: B.P. 226, BANDUNDU
NOM DU DIRIGEANT: Cit. KAYINDA O'Nsindal

NOM: SOPRABAND, SARL ? employés
Brasserie
ADRESSE: B.P. 548, BANDUNDU
NOM DU DIRIGEANT: ?

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PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: YHA-MBOK, Ets ? employés
Commerce de traite, Achat et vente de produits agricoles, Plantation café
ADRESSE: B.P. 77, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. MBOKO Yhab

NOM: MUKWA ET FILS, Ets 12 employés
Commerce de traite, Achat et vente produits agricoles, Plantation café,
ADRESSE: B.P. 10, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. MUKWA Mupiere

NOM: KAMIGU (KAPAY MIKODI GUYIDUGAY), Ets ? employés
Commerce de traite, Produits agricoles
ADRESSE: B.P. 206, KIKWIT, BANDUNDU
NOM DU DIRIGEANT: Cit. KAPAY Mikodi G.

NOM: ALIBA MOMVULA ? employés
Commerce général
ADRESSE: KUTU/BANDUNDU
NOM DU DIRIGEANT: Cit. ALIBA Momvula

NOM: BAIBI BONKWIWE, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BAIBI Bonkwiwe

NOM: BALEKA EPESI, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BALEKA Epesi

NOM: BATULI, Ets. ? employés
Commerce général
ADRESSE: KOLE-OSHWE, BANDUNDU
NOM DU DIRIGEANT: Cit. BATULI

NOM: BESEBE MOMPANGIA, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BESEBE Mompangia

NOM: BETOKO MBONKOSO, Ets. ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. BETOKO Mbonkoso

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: BOKATOLA, Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOKATOLA

NOM: BOKELO IKAMBA, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BOKELO Ikamba

NOM: BOKOSI MAKAMBO, Ets ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. BOLA Lokolo

NOM: BOLE MONZILI, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BOLE Monzili

NOM: BOLUKA MPIA, Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOLUKA Mpia

NOM: BOMARO MEKIPE, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BOMARO Mekipe

NOM: BOMPANGU, Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOMPANGU

NOM: BOMPUMBU, Ets. ? employés
Commerce général
ADRESSE: NIOKI, BANDUNDU
NOM DU DIRIGEANT: Cit. BOMPUMBU

NOM: BONGALI N'SELE, Ets. ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. BONGALI

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: BONSONKIE, Ets. ? employés
Commerce général
ADRESSE: BOKORO, BANDUNDU
NOM DU DIRIGEANT: Cit. BONSONKIE Nes'Avandela

NOM: BOPELA MPIYELI, Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOPELA Mpiyeli

NOM: BOSAMA, Ets. ? employés
Commerce général
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Cit. BOSAMA

NOM: BOSOLI WA BONZE. Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOSOLI

NOM: BOTIKALI LIOMBO, Ets. ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BOTIKALI Liombo

NOM: BOTUKALE NGANZAME, Ets. ? employés
Commerce général
ADRESSE: Centre Boloba, BANDUNDU
NOM DU DIRIGEANT: Cit. BOTUKALA Nganzame

NOM: BOYAMA KASAKASA, Ets. ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BOYOMA Kasakasa

NOM: CHEZ NKOKO, Ets. ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: CRISTOVAO, Ets ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Mme. CHRISTOVAO

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: EMBONGO BOYANGI, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. EMBONGO Boyangi

NOM: FERREIRA, Ets ? employés
Commerce général
ADRESSE: B.P. 424, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: GHONDA MBE, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. GHONDA Mbe

NOM: GRACIA,Ets ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Mr. GRACIA

NOM: IBIA ELEKA, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. IBIA Eleka

NOM: IBULA ET FILS, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. IBULA Lokoso

NOM: IBULA MBENGA, Ets ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. IBULA Mbenga

NOM: IKOKO MPETI, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. IKOKO Mpeti

NOM: ILONGA, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. ILONGA Bosende

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: ILOY MEBIA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. ILOY Mebia	?	employés
NOM: ILUNGA NGOLO, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. ILUNGA Ngolo	?	employés
NOM: INGOLI ET FILS, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. INGOLI Itumbalombe	1	employés
NOM: IYELA KONGO, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. IYELA Kongo	?	employés
NOM: IYENDELE, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. IYENDELE	?	employés
NOM: IZE MUNDJU, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. IZE Mundju	?	employés
NOM: KANDOS, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. KANDOLO	?	employés
NOM: KEBWI WACHA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. KEBWI Wacha	?	employés
NOM: KINDA YELEKELE, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. KINDA Yelekele	?	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: KOLO-MOSI, Ets — 1 employés
Commerce général
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. MUKINA

NOM: LASSE NZIKFWELE, Ets — ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. LASSE Nzikfwele

NOM: LEBEKE YASILI, Ets — ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. LEBEKE Yasili

NOM: LEBOMBE ESOPA, Ets — ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. LEBOMBE

NOM: LELAC, Ets — ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MBOLO Etabe

NOM: LEMFUMU EMAMO, Ets — ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Cit. LEMFUMU

NOM: LOBOTA MEMBE, Ets — ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. LOBOTA

NOM: LONGOLA MAY, Ets — ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. LONGOLA May

NOM: MAKEZO, Ets — ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MOKE Akeso

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MAKIADI, Ets — 2 employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MBINGA Nzuanzu

NOM: MALILI MA MBIEME, Ets — ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Cit. MALILI ma Mbieme

NOM: MANZWA MEPA, Ets — ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MANZWA Mepa

NOM: MARTINS DA SILVA JOAO, Ets — 2 employés
Commerce général
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Mr. MARTINS da Silva Joao

NOM: MBAO MOBILANGA, Ets — ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Cit. MBAO Mobilanga

NOM: MBEY ITINE, Ets — ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MBEY Itine

NOM: MBEY MPAMU, Ets — ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Cit. MBEY Mpamu

NOM: MBO EBENGO, Ets — ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT: Cit. MBO Ebengo

NOM: MBONKANZA, Ets — ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MBONKANZA

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MBU LEVILO, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MBU Levilo	?	employés
NOM: MOBALI MOIMBA, Ets Commerce général ADRESSE: Centre Kiri, BANDUNDU NOM DU DIRIGEANT: Cit. MOBALI Moimba	?	employés
NOM: MODIZO, Ets Commerce général ADRESSE: TOLO, BANDUNDU NOM DU DIRIGEANT: Cit. MUDIZO	?	employés
NOM: MOKE KEMBUYI, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOKE Kembuyi	?	employés
NOM: MOKE SAMBA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOKE Samba	?	employés
NOM: MOKINI NSAY, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOKINI Nsay	?	employés
NOM: MOKUBA KEMFU, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOKUBA Kemfu	?	employés
NOM: MOLINDAW, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOLINDAW	?	employés
NOM: MOLONKIENE, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MOLONKIENE	?	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MONSENGO NDALA, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MONSENGO Ndala

NOM: MONSHE BONINGI, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MONSHE Boningi

NOM: MONTEIRO, Ets 12 employés
Commerce général
ADRESSE: B.P. 24, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Mr. MONTEIRO

NOM: MONZO MANUNZA, Ets ? employés
Commerce général
ADRESSE: Centre Bolobo, BANDUNDU
NOM DU DIRIGEANT. Cit. MONZO Manunza

NOM: MOSENGO MOTULI, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MOSENGO Motuli

NOM: MOTERI MWAN, Ets ? employés
Commerce général
ADRESSE: Centre Mushie, BANDUNDU
NOM DU DIRIGEANT: Cit. MOTERI

NOM: MOYUALA BENTUIN, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MOYUALA Bentuin

NOM: MOZENGE INENA, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MOZENGE Inena

NOM: MPAKILI BOPOKO, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. MPAKILI Bopoko

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MPETI NYIMI, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. MPETI Nyimi	?	employés
NOM: MPIA BOSOLI, Ets Commerce général ADRESSE: Centre d'Onongo, BANDUNDU NOM DU DIRIGEANT: Cit. MPIA Bosoli	?	employés
NOM: MPIA EBEKE, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MPIA Ebeke	?	employés
NOM: MPOLIBALI, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. MPOLIBALI	?	employés
NOM: MU.KO.LO., Ets Commerce général ADRESSE: B.P. 27, KENGE, BANDUNDU NOM DU DIRIGEANT: Cit. MUZINGA Koloso	5	employés
NOM: MULIDIKI, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. NTIKALA Ibole	?	employés
NOM: MWANKU MALELA, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. MWANKU Malela	?	employés
NOM: MWANTOTE BOBOMBI, Ets Commerce général ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. MWANTOTE Bobombi	?	employés
NOM: NDWANI KOKWANA, Ets Commerce général ADRESSE: Centre Mushie, BANDUNDU NOM DU DIRIGEANT: Cit. NDWANI Kokwana	?	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: NGOY BOMPAMBE, Ets ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. NGOY Bompambe

NOM: NGULA LOYOMO, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NGULA Loyomo

NOM: NKELAVUKU NGA, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NKELAVUKU Nga

NOM: NKEY BANOKI, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NKEY Banoki

NOM: NSANGIE MBONGO, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NSANGIE Mbongo

NOM: NSE MANGI, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NSE Mangi

NOM: NSE NZUBA, Ets ? employés
Commerce général
ADRESSE: Centre Mushie, BANDUNDU
NOM DU DIRIGEANT: Cit. NSE Nzuba

NOM: NSELE MBO, Ets ? employés
Commerce général
ADRESSE: Centre Mushie, BANDUNDU
NOM DU DIRIGEANT: Cit. NSELE Mbo

NOM: NSEY FANKISWO, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NSEY Fankiswo

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: NSEYA FATAKI, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NSEYA Fataki

NOM: NSOSOMBO BOSALE, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NSOSOMBO Bosale

NOM: NTEBE KOSE, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NTEBE Kose

NOM: NTIKALA BOTIKE, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NTIKALA Botike

NOM: NTWA MOSENGO, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NTWA Mosengo

NOM: NTWANGIA MPUTU, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NTWANGIA Mputu

NOM: NYOTA BIKOLO, Ets ? employés
Commerce général
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NYOTA Bikolo

NOM: NZE NZALE, Ets ? employés
Commerce général
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NZE Nzale

NOM: NZEBELI LOBOTA, Ets ? employés
Commerce général
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. NZEBELI Lobota

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: OBE LETUNITA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. OBE Letutina	?	employés
NOM: SACOLAC, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: ?	?	employés
NOM: SALISA, Ets Commerce général ADRESSE: BOKORO, BANDUNDU NOM DU DIRIGEANT: Cit. MOYABE Kiam	?	employés
NOM: SAPEZA, SPRL Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: ?	?	employés
NOM: SEMAMI, Ets Commerce général ADRESSE: BOKORO, BANDUNDU NOM DU DIRIGEANT: Cit. NZIMINSE	?	employés
NOM: SOCOBU (SOCIETE COSTA DE BULUNGU), SPRL Commerce général ADRESSE: B.P. 36, BULUNGU, BANDUNDU NOM DU DIRIGEANT: Mr. A.S COSTA	27	employés
NOM: SUNA NGONDA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. SUNA Ngonda	?	employés
NOM: TOSALISANA, Ets Commerce général ADRESSE: B.P. 33, KENGE, BANDUNDU NOM DU DIRIGEANT: Cit. BUKASA Mutukija	5	employés
NOM: TOYOKANA, Ets Commerce général ADRESSE: Centre Kiri, BANDUNDU NOM DU DIRIGEANT: Cit. MPUTELA	?	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: VELBE BELOBA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. VELBE Beloba	?	employés
NOM: WANSOME, Ets Commerce général ADRESSE: BOKORO, BANDUNDU NOM DU DIRIGEANT: Cit. WANSOME Lesebele	?	employés
NOM: WAWA EKINA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. WAWA Ekina	?	employés
NOM: YOBUAKA IKRAFUKA, Ets Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. YOBUAKA Ikrafuka	?	employés
NOM: ZAKWMWA, Ets Commerce général ADRESSE: BOKORO, BANDUNDU NOM DU DIRIGEANT: Cit. MBENGHO Taata	?	employés
NOM: BONGELI MBUTA, Ets. Commerce général, Achat café ADRESSE: Centre Kiri, BANDUNDU NOM DU DIRIGEANT: Cit. BONGELI Mbuta	?	employés
NOM: ANTONIO LOPES FELIX, Ets Commerce Général, Achat et vente de produits agricoles ADRESSE: B.P. 19 BULUNGU, BANDUNDU NOM DU DIRIGEANT: Mr ANTONIO Lopes Félix	20	employés
NOM: KANUS, SPRL Commerce général, Achat et vente de produits agricoles ADRESSE: B.P. 252, BANDUNDU NOM DU DIRIGEANT: Mr. NUNES et Cne. KAMWANYA	67	employés
NOM: NTAKA LWANA, Ets Commerce général, Achat et vente de produits agricoles ADRESSE: INONGO, BANDUNDU NOM DU DIRIGEANT: Cit. LOKOTAMA Elongola	5	employés

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PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: LEFUNI ET FILS, Ets ? employés
Commerce général, Achat et vente produits agricoles
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. LEFUNI Bompongo

NOM: BOSANGO, Ets. 22 employés
Commerce général, Achat et vente produits agricoles, Plantations café
ADRESSE: B.P. 1, INONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. BOSANGO Mbouasa

NOM: LAMBUKU NKALYA, Ets ? employés
Commerce général, Achat et vente produits vivriers, Elevage.
ADRESSE: B.P. 159, KIKWIT, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: MPOTE ET FRERES, Ets ? employés
Commerce général, Achat et ventes produits agricoles
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. MABE Maindombe

NOM: MOLENDE, Ets 5 employés
Commerce général, Achat produits de pêche
ADRESSE: B.P. 80, INONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. MOSI Nsanianga

NOM: SOZACOPA (Société Zairoise de Commerce et Pro ? employés
Commerce général, Agriculture
ADRESSE: B.P. 31, INONGO, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: MOZA, Ets 8 employés
Commerce général, Bar et Hotel, Pharmacie, Achat produits de pêche, Elev
ADRESSE: B.P. 136, INONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. MOZA

NOM: MOMBEMBE, Ets ? employés
Commerce général, Boulangerie, Plantations, Elevage
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. NSINGA Udju

NOM: DIEU EST GRAND, Ets. 4 employés
Commerce général, Commerce des produits vivriers
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. LANDU

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MWAMBA NZAMBI, Ets 8 employés
Commerce général, Commercialisation produits de pêche
ADRESSE: INONGO, BANDUNDU
NOM DU DIRIGEANT: Cne. MWAMBA Nzambi

NOM: MA-N'GWALU, Ets 10 employés
Commerce général, Culture produits vivriers, Elevage, Hotellerie
ADRESSE: B.P. 308, BANDUNDU
NOM DU DIRIGEANT: Cit. N'GWALUMUNA Mbunzu Ngwadi

NOM: TAVARES, Ets 16 employés
Commerce général, Elevage
ADRESSE: B.P. 33, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Mr. J.M. TAVARES

NOM: TOUT DEPEND DE DIEU, Ets ? employés
Commerce général, Elevage
ADRESSE: B.P. 28, KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. KINDEKE

NOM: MAFAMBE, Ets 40 employés
Commerce général, Elevage Plantation café, Hotellerie
ADRESSE: B.P. 48, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. MAFANDALA Mbembi

NOM: BOUTIQUE DE LUXE, Ets. 3 employés
Commerce général, Elevage, Commercialisation produits agricoles
ADRESSE: INONGO, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: MALEMBE MAYANA ET FILS, Ets 15 employés
Commerce général, Elevage, Pharmacie
ADRESSE: KAHEMBE, BANDUNDU
NOM DU DIRIGEANT: Cit. MALEMBE Mayana

NOM: MUWAY, Ets 8 employés
Commerce général, Elevage, Plantation café
ADRESSE: B.P. 95, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. MUWAY

NOM: MA-BUNTA, Ets 16 employés
Commerce général, Elevage, Plantation café, Hotellerie
ADRESSE: B.P. 21, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. MAFUTAMINGI Bunta

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: BALE-CAR, SPRL ? employés
Commerce général, Elevage, Plantations café, Achats et ventes produits a
ADRESSE: B.P. 120, KIKWIT, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: UN, DEUX, TROIS, Ets ? employés
Commerce général, Hotellerie
ADRESSE: Centre Tolo, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: ISU-NKA, Ets 15 employés
Commerce général, Hotellerie, Elevage
ADRESSE: B.P. 97, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. ISUNGU Nkadimi

NOM: COPODIN, Ets ? employés
Commerce général, Hôtellerie, Hôpital.
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. BONDO Nsama

NOM: ELE, Ets ? employés
Commerce général, Hotellerie, Pharmacie, Menuiserie, Elevage, Plantation
ADRESSE: B.P. 24, IDIOFA, BANDUNDU
NOM DU DIRIGEANT: Cit. EKWAMPAK Nde b'Otemweng

NOM: SOZAM (Société Zairoise d'Alimentation et Mat ? employés
Commerce général, Import/Export
ADRESSE: B.P. 31, KENGE, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: APOTHIPAR, Ets. 2 employés
Commerce Général, Pharmacie, Plantations café
ADRESSE: INONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. INKONKOY Y'Onyanga

NOM: BOKANDI WATO, Ets. ? employés
Commerce général, Plantation café
ADRESSE: Centre Kiri, BANDUNDU
NOM DU DIRIGEANT: Cit. POKANDI

NOM: FONSECA, Ets ? employés
Commerce général, Plantation café
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Mme. FONSECA

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MAJAK, Ets ? employés
Commerce général, Plantation café
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Cit. MOKE

NOM: BULUNSANGA, [illegible] 20 employés
Commerce général, Plantation café et produits vivriers, Piscultures, Ele
ADRESSE: B.P. 95, BULUNGU, BANDUNDU
NOM DU DIRIGEANT: Cit. BULUMUKA Nsangaswele

NOM: MAISON MONDO COMMERCIAL, Ets 7 employés
Commerce général, Plantation café, Elevage
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. MONDO

NOM: NZAWA SUNGA, Ets 50 employés
Commerce général, Plantation café, Elevage
ADRESSE: B.P. 29, POPOKABAKA, BANDUNDU
NOM DU DIRIGEANT: Cit. TUVABA Lewula

NOM: SOCITET SANTOS ET CIE, SPRL 72 employés
Commerce général, Plantation café, Elevage, Boulangerie, Cinéma, Bar
ADRESSE: B.P. 16, KENGE, BANDUNDU
NOM DU DIRIGEANT: Mr. SANTOS

NOM: SOCIETE SANGA SAM, SPRL 65 employés
Commerce général, Plantation café, Hotellerie, Elevage
ADRESSE: B.P. 25, IDIOFA, BANDUNDU
NOM DU DIRIGEANT: Cit. SANGA Same Ndwatshi

NOM: NDOY, Ets ? employés
Commerce général, Plantations
ADRESSE: Centre Kutu, BANDUNDU
NOM DU DIRIGEANT: Cit. NDOY

NOM: NZALI LOPO, Ets ? employés
Commerce général, Plantations
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. NZALI Lopo

NOM: MINI SHOP DE BEAUTE, Ets 2 employés
Commerce général, Produits manufacturés
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. DIOMBA Diabaka

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: NASISAL, Ets — ? employés
Commerce général, Produits manufacturés
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Cit. KEMUSABA

NOM: DEMENA & FILS, Ets. — 1 employés
Commerce général, Studio photo
ADRESSE: B.P. 64, INONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. DAMENA Obashiewa

NOM: ECOMARQUES, SPRL — ? employés
Commerce général, Transport fluvial
ADRESSE: B.P. 91, INONGO, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: TRANSLUK, Ets — ? employés
Commerce général, Transport fluvial
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: WANGATA BOLINGO, Ets — 20 employés
Commerce général, Transport fluvial
ADRESSE: B.P. 300, BANDUNDU
NOM DU DIRIGEANT: Cit. WANGATA Bolingo

NOM: ONKASSO IKOKO ET FILS (Ets ONKASSO) — 7 employés
Commerce général, Transport fluvial, Elevage
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. IKOKO Mpolo Mompanda

NOM: DIOMA, Ets. — ? employés
Commerce produits agricoles, Traitements rizerie
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Cit. DIONGE Omama

NOM: FERME KALVANDA — 12 employés
Elevage, Plantation, Bar
ADRESSE: IDIOFA, BANDUNDU
NOM DU DIRIGEANT: Cit. KALVANDA Kungeshi

NOM: P.R.K.S., SPRL — ? employés
Exploitation forestière
ADRESSE: Localité Selenge, BANDUNDU
NOM DU DIRIGEANT: ?

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: COMPAGNIE DU BOIS, SPRL — ? employés
Exploitation forestière, Scierie
ADRESSE: Localité Mbiem, BANDUNDU
NOM DU DIRIGEANT: Cit. NDONGALA Tadi Lewa

NOM: SCIEMEFBA, SPRL — ? employés
Exploitation forestière, Scierie
ADRESSE: Centre d'Inongo, BANDUNDU
NOM DU DIRIGEANT: Cit. BAPEKE

NOM: SCIERIE DE NGELO, SPRL — 13 employés
Exploitation forestière, Scierie
ADRESSE: Localité Ngelo, BANDUNDU
NOM DU DIRIGEANT: Mr. LAPEBIE

NOM: HOTEL DE BANDUNDU — 8 employés
Hotellerie
ADRESSE: B.P. 540, BANDUNDU
NOM DU DIRIGEANT: Cit. BONDO Nsama

NOM: HOTEL KENGE RAPIDE, Ets — 3 employés
Hotellerie
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. WUMUMU Omokoko

NOM: HOTEL LA BOUF, Ets — 4 employés
Hotellerie
ADRESSE: BUKONGO, BANDUNDU
NOM DU DIRIGEANT: Cit. BAFUMBA Lomamy

NOM: HOTEL TUBY, Ets — 3 employés
Hotellerie
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. KIDIAKA Mwanza

NOM: MAYELE, Ets — ? employés
Hotellerie
ADRESSE: Centre d'Oshwe, BANDUNDU
NOM DU DIRIGEANT: Cit. MAYELE

NOM: SALA BISALA, Ets — 6 employés
Hotellerie, Atelier mécanique, Elevage
ADRESSE: KENGE, BANDUNDU
NOM DU DIRIGEANT: Cit. TSHOKUTA Sala-Bisala

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: BOLA ENTENI, Ets. Hôtellerie, Bar ADRESSE: BOKORO, BANDUNDU NOM DU DIRIGEANT: Cit. BOLA Enteni	?	employés
NOM: LULA, Ets Hotellerie, Commerce général ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. IBOFA Mpia	?	employés
NOM: HOTEL KWILU, SPRL Hotellerie, Restaurant, Bar ADRESSE: B.P. 32, KIKWIT, BANDUNDU NOM DU DIRIGEANT: ?	?	employés
NOM: LA CAZELLE, Ets Hotellerie, Transport routier ADRESSE: B.P.220, BANDUNDU NOM DU DIRIGEANT: Mme. BOKENGE Mpote	13	employés
NOM: Editions Imprimerie Bandundu (EDIMBA), Imprimerie, Menuiserie, Garage ADRESSE: B.P. 246, BANDUNDU NOM DU DIRIGEANT: ?	?	employés
NOM: MANKAPHAR, Ets Pharmacie ADRESSE: B.P. 58, INONGO, BANDUNDU NOM DU DIRIGEANT: Cne. MAKINA Nkaba	2	employés
NOM: MBUTA, Ets Pharmacie ADRESSE: KUTU, BANDUNDU NOM DU DIRIGEANT: Cit. MBUTA	?	employés
NOM: PLANTATION DE WALA, Ets Plantation ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Mr. PADUA	?	employés
NOM: MASUMBUKU, Ets Plantation café ADRESSE: Centre d'Inongo, BANDUNDU NOM DU DIRIGEANT: Cit. MASUMBUKU Vungwa	2	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MOKE MOKWANDE, Ets ? employés
Plantation café
ADRESSE: BOKORO, BANDUNDU
NOM DU DIRIGEANT: Cit. MOKE Mokwande

NOM: VAL JULLES, Ets ? employés
Plantation café
ADRESSE: Centre Tolo, BANDUNDU
NOM DU DIRIGEANT: Mr. VAL Julles

NOM: IZIASUMA, Ets 10 employés
Plantation café, Culture vivrières, Commerce général
ADRESSE: B.P. 263, BANDUNDU
NOM DU DIRIGEANT: Cit. IZIASUMA

NOM: BELELI (PLANTATIONS DE), Ets. ? employés
Plantations café
ADRESSE: TOLO, BANDUNDU
NOM DU DIRIGEANT: Mme TASSIN

NOM: LIKITA, Ets ? employés
Plantation café et produits vivriers
ADRESSE: KUTU, BANDUNDU
NOM DU DIRIGEANT: Cit. LIKITA Gbemqbo

NOM: SAMPEDRO FRERES, SNC ? employés
Production huile de palme, Commerce général, Plantation café, Elevage
ADRESSE: B.P. 4, KIKWIT, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: SOCIETE SOLAC, SPRL 19 employés
ral, Plantation café
ADRESSE: B.P. 127, INONGO, BANDUNDU
NOM DU DIRIGEANT: Mr. ALMEIDA Braulio

NOM: C.A.B., Ets ? employés
Rizerie
ADRESSE: IDIOFA, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: DEVELOPPEMENT PROGRES POPULAIRE, ASBL ? employés
Rizerie
ADRESSE: IDIOFA, BANDUNDU
NOM DU DIRIGEANT: ?

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN BANDUNDU

NOM: MBOLIAKA, Ets ? employés
Rizerie
ADRESSE: IDIOFA, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: RIZIBAND (Rizerie de Bandundu), Ets ? employés
Rizerie
ADRESSE: BULUNGU, BANDUNDU
NOM DU DIRIGEANT: ?

NOM: LESSEJINA, Ets ? employés
Transport fluvial, Rizerie
ADRESSE: TOLO, BANDUNDU
NOM DU DIRIGEANT: Cit. LESSEJINA K.

Nombre d'entreprises commerciales et/ou agricoles: 194

NOMBRE TOTAL D'ENTREPRISES RECENSEES: 210

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: GROUPE MWADI, Ets 17 employés
Achat et vente de produits agricoles
ADRESSE: B.P. 362, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOI Mwadi

NOM: TSHIBUABUA, Ets ? employés
Achat et vente produits agricoles, Cultures vivrières
ADRESSE: B.P. 7, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. TSHIBUABUA Tshibengabu

NOM: HOTEL FALU, Ets 1 employés
Achat et vente produits agricoles, Hotellerie
ADRESSE: B.P. 10, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. FALU Lubimbi

NOM: MUKENDI KABONGO, Ets 2 employés
Achat et vente produits vivriers, Cultures vivrières, Hotellerie
ADRESSE: B.P. 112, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MUKENDI Kabongo

NOM: MA CITADELLE, Ets 53 employés
Achat et vente produits vivriers, Palmeraie, Exploitation forestière
ADRESSE: B.P. 182, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KINGALA Mwana Lukuni

NOM: SOCIETE AGRICOLE ET COTONNIERE DE L'EST ZAIRO 500 employés
Agro-industrie du coton
ADRESSE: B.P. 677, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: MERKA, Ets 15 employés
Atelier de ferronerie, Garage
ADRESSE: B.P. 157, KAMINA, SHABA
NOM DU DIRIGEANT: Mr. ATTILIO Merlin

NOM: MUSAO, Ets 1 employés
Boulangerie
ADRESSE: B.P. 402, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MUSAO Malanco

NOM: TSHILOBO ET OLBRECHTS (TSHILOBO), Ets 16 employés
Boulangerie, Cotonnerie, Biscuiterie, Cultures vivrières, Commerce génér
ADRESSE: B.P. 8, KAMINA, SHABA
NOM DU DIRIGEANT: Mr. OLBRECHTS André et Cit. TSHILOBO wa Ilunga

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: KIN-STAR, Ets — 6 employés
Commerce d'habillement
ADRESSE: B.P. 18, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. SAID DAKIK

NOM: JETHABHAI, Ets — 16 employés
Commerce de gros, Elevage
ADRESSE: B.P. 294, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. JETHABHAI Gulamabas et Cit. NYONSABA Rugwe

NOM: ABDALLAH B.S., Ets — 11 employés
Commerce général
ADRESSE: B.P. 105, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. ABDALLAH bin Saleh

NOM: ABDALLAH M. "MAGASIN YA BOMOYI", Ets — 8 employés
Commerce général
ADRESSE: B.P. 446, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. ABDALLAH Matayabo Hamedi

NOM: ALI ABDALLAH, Ets — 12 employés
Commerce général
ADRESSE: B.P. 108, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. ABDALLAH

NOM: BAHATI SELEMANI, Ets — 3 employés
Commerce général
ADRESSE: B.P. 43, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. BAHATI Selemani

NOM: BANZA TUNKU (BA-TU), Ets — 3 employés
Commerce général
ADRESSE: B.P. 136, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. BANZA Tunku

NOM: ILUNGA KAYUMBA, Ets — 3 employés
Commerce général
ADRESSE: B.P. 497, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. ILUNGA Kayumba

NOM: ISAZU KAYANDA, Ets — 10 employés
Commerce général
ADRESSE: B.P. 349, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. ISAZU Kayanda

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: KABAMBA WA NKULU, Ets Commerce général ADRESSE: B.P. 35, KITENGE-KAMINA, SHABA NOM DU DIRIGEANT: Cit. KABAMBA wa Nkulu ne M.	2	employés
NOM: KABUYA DIKUTCHA, Ets Commerce général ADRESSE: B.P. 5, KABONGO-KAMINA, SHABA NOM DU DIRIGEANT: Cit. KABUYA Dikutcha	4	employés
NOM: KALENG MUTEB, Ets Commerce général ADRESSE: B.P. 33, KAMINA, SHABA NOM DU DIRIGEANT: Cit. KALENG Muteb	62	employés
NOM: KAMBILOMBILO, Ets Commerce général ADRESSE: B.P. 270, KALEMIE, SHABA NOM DU DIRIGEANT: ?	11	employés
NOM: KAT MASHIND, Ets Commerce général ADRESSE: B.P. 33, KAMINA, SHABA NOM DU DIRIGEANT: Cit. KAT Mashind	2	employés
NOM: KAZADI ILUNGA, Ets Commerce général ADRESSE: B.P. 374, KAMINA, SHABA NOM DU DIRIGEANT: Cit. KAZADI Ilunga	?	employés
NOM: KIBA-ZAIRE, Ets Commerce général ADRESSE: B.P. 94, KALEMIE, SHABA NOM DU DIRIGEANT: ?	?	employés
NOM: KILAMBA KALUKA, Ets Commerce général ADRESSE: B.P. 13, KITENGE-KAMINA, SHABA NOM DU DIRIGEANT: Cit. KALUMBA Kaluka	1	employés
NOM: LUZITU TESIMIKWA, Ets Commerce général ADRESSE: B.P. 191, KAMINA, SHABA NOM DU DIRIGEANT: ?	2	employés

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: MAGASIN ELEGANT, Ets — 2 employés
Commerce général
ADRESSE: B.P. 251, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. MAMADOU Jelah

NOM: MAGASIN KALEMIE, Ets — 12 employés
Commerce général
ADRESSE: B.P. 105, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: MAGASIN LE CLOCHE, Ets — 22 employés
Commerce général
ADRESSE: B.P. 310, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: MASIKILIZANO, Ets — 3 employés
Commerce général
ADRESSE: B.P. 267, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOY Mwana

NOM: MOHSEN SALIM, Ets — 13 employés
Commerce général
ADRESSE: B.P. 22, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: MOPOZA-GROS, Ets — 47 employés
Commerce général
ADRESSE: B.P. 79, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. MOMA Mbengu Pondalami

NOM: MPOYI BANGABERA, Ets — 5 employés
Commerce général
ADRESSE: B.P. 422, KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOM: MUSA SALEH FRERES, Ets — 3 employés
Commerce général
ADRESSE: B.P. 251, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. MUSA Ibrahim

NOM: MUTOMBO BANZA, Ets — 1 employés
Commerce général
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MUTOMBO Banza

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PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: PETIT PARIS, Ets — 5 employés
Commerce général
ADRESSE: B.P. 444, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NSENGA Nzadi

NOM: PETIT-A-PETIT, Ets — 6 employés
Commerce général
ADRESSE: B.P. 197, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: PEZA N7OTO KILO, Ets — 12 employés
Commerce général
ADRESSE: B.P. 191, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. LUZITU Tesimikwa

NOM: POTOPOTO, Ets — ? employés
Commerce general
ADRESSE: B.P. 94, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: TAMBWE DIBWE, Ets — 3 employés
Commerce général
ADRESSE: B.P. 272, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: TOUT KALEMIE, Ets — 4 employés
Commerce général
ADRESSE: B.P. 109, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. MUTOKE Yebondo

NOM: TSHIKEM, Ets — 5 employés
Commerce général
ADRESSE: B.P. 442, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MUANZA Mande Tshikenkula

NOM: UMBA MUKALA, Ets — ? employés
Commerce général
ADRESSE: B.P. 55, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. UMBA Mukala wa Kyasha

NOM: MALI NI MAUA, Ets — 1 employés
Commerce général, Achat et vente pièces pour vélos
ADRESSE: B.P. 279, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. BAKILONGO Oredi

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: KAHYA LUBINGO, Ets — 4 employés
Commerce général, Achat et vente produits agricoles
ADRESSE: B.P. 32 KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KAHYA Lubingo

NOM: LUMBURI RAMAZANI, Ets — 2 employés
Commerce général, Achat et vente produits agricoles, Culture mais
ADRESSE: B.P. 43, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. LUMBURI Ramazani

NOM: BIZELE, Ets — 4 employés
Commerce général, Achat et vente produits agricoles, Hotellerie
ADRESSE: B.P. 01, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. BIZELE

NOM: GENATANGA, SPRL — ? employés
Commerce général, Achat et vente produits agricoles, Minoterie
ADRESSE: B.P. 214, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: K.N.A., Ets — 5 employés
Commerce général, Achat et vente produits vivriers
ADRESSE: B.P. 349, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: MATALA A.S., Ets — 5 employés
Commerce général, Achat et vente produits vivriers
ADRESSE: B.P. 423, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. MATALA Adamu Salaka

NOM: KAYOMBO NASSOR, Ets — 6 employés
Commerce général, Achat et ventes produits agricoles
ADRESSE: B.P. 349, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. KAYOMBO Nassor

NOM: NGOI MWADI, Ets — 17 employés
Commerce général, Achat et venyte produits agricoles
ADRESSE: B.P. 362, KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOM: BAR-JUMBO (Magasin Petit à Petit), Ets — 8 employés
Commerce général, Bar
ADRESSE: B.P. 49, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: CARREFOUR, Ets 12 employés
Commerce général, Boucherie
ADRESSE: B.P. 223, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MBAYO wa Mwamba et Mr. BILLIET Cyril

NOM: LWANIKA, Ets 11 employés
Commerce général, Boucherie, Hotellerie
ADRESSE: B.P. 49, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: CHEZ TSHITSHI, Ets 60 employés
Commerce général, Culture café et vivrières, Elevage
ADRESSE: B.P. 225, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. TSHIBANGU Tshibangu

NOM: COMINA, SPRL 52 employés
Commerce général, Culture café et vivrières, Minoterie, Savonnerie, Menu
ADRESSE: B.P. 174, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NYEMBO Mulongo

NOM: KAYUMBA WA MBABA, Ets 1 employés
Commerce général, Culture produits vivriers
ADRESSE: B.P. 4, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KAYUMBA wa Mbaba

NOM: KAMULETE DIULU, Ets 10 employés
Commerce général, Culture vivrières, Elevage
ADRESSE: B.P. 63, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KAMULETE Diulu Mwana

NOM: BALONDA DIWI, Ets 1 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KALENGA Binyengele

NOM: BUNDA KISANGANI, Ets 4 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 29, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. BUNDA Kisangani

NOM: KAKENKE WA MWAMBA, Ets 1 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KAKENKE wa Mwamba

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: KANYUNGO WA ILUNGA, Ets — 5 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 35, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KANYUNGO waILUNGA

NOM: KAYAMBA NGOMBA, Ets — 2 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 4, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KAYAMBA Ngomba

NOM: LUFUNDJA MBAY, Ets — ? employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 48, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. LUFUNDJA Mbay Mwalimu

NOM: MALI NI NGUVU, Ets — 1 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KASONGO Kalombo

NOM: NGOIE MPESHA, Ets — 3 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 16, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOIE Mpesha

NOM: NGOY MUNKALA, Ets — 2 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 22, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOY Munkala

NOM: NKONGOLO KATOLO (NKOKATSHY), Ets — 1 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NKONGOLO Katolo wa Tshikala

NOM: NKULU KIMANDA, Ets — 1 employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NKULU Kimanda wa Kaseba

NOM: SHABANZA KITENGE, Ets — ? employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 38, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. SHABANZA Kitenge

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: YUMBA MAKENDE, Ets — ? employés
Commerce général, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. YUMBA Makende

NOM: KABONGO KABWENDE, Ets — 25 employés
Commerce général, Cultures vivrières, Elevage
ADRESSE: B.P. 5, KABONGO-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KABONGO Kabwende

NOM: KALENGA WA KASONGO, Ets — 3 employés
Commerce général, Cultures vivrières, Elevage
ADRESSE: B.P. 13, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KALENGA wa Kasongo

NOM: KALONDA MUTOMBO, Ets — 7 employés
Commerce général, Cultures vivrières, Elevage
ADRESSE: B.P. 4, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KALONDA Mutombo

NOM: TWITE KATUMPA, Ets — ? employés
Commerce général, Cultures vivrières, Elevage
ADRESSE: B.P. 43, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. TWITW Katumpa

NOM: MUTU WA MILANGWE, Ets — 3 employés
Commerce général, Cultures vivrières, Elevage, Hotellerie
ADRESSE: B.P. 43, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOIE Mavua

NOM: QUATRE VERITES, Ets — ? employés
Commerce général, Cultures vivrières, Pisciculture
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NUMBI Kisaba wa Ngoy

NOM: MONGA WA NZAJI, Ets — 15 employés
Commerce général, Elevage
ADRESSE: B.P. 299, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MONGA wa Nzaji

NOM: MUKYZA, Ets — 24 employés
Commerce général, Elevage
ADRESSE: B.P. 455, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MUTENTE Kitamba

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: NDUMBA MIFWANO, Ets — ? employés
Commerce général, Elevage
ADRESSE: B.P. 14, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NDUMBA Mifwano

NOM: NGOY MPOYO MIALO, Ets — 5 employés
Commerce général, Elevage
ADRESSE: B.P. 508, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOY Mpoyo Mialo Ndemba

NOM: SOCIETE ZAIROISE D'ELEVAGE ET DE COMMERCE (SO — 28 employés
Commerce général, Elevage
ADRESSE: B.P. 63, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MONGA Senga Umba

NOM: FERME KIASHE, Ets — 19 employés
Commerce général, Elevage, Transport routier, Hotellerie
ADRESSE: B.P. 392, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOIE Manike

NOM: HOTEL DE LA GARE, Ets — 14 employés
Commerce général, Hotellerie
ADRESSE: B.P. 2[illegible], KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. SELEMANI Bin Baruani M.

NOM: HOTEL NYEMBO, Ets — 5 employés
Commerce général, Hotellerie
ADRESSE: B.P. 161, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. ILUNGA Nyembo Luba

NOM: LA GROTTE, Ets — 4 employés
Commerce général, Hotellerie
ADRESSE: B.P. 61, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOY Kisula Nkolo Nkolo

NOM: CEDAZA (Culture-Elevage-Distribution-Alimenta — ? employés
Commerce général, Import-Export, Elevage, Boucherie
ADRESSE: B.P. 129, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: SOTIRIS, Ets — 60 employés
Commerce général, Pecherie
ADRESSE: B.P. 184, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: PHARMACIE MODERNE, Ets — 4 employés
Commerce général, Pharmacie
ADRESSE: B.P. 188, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. LUMBALA wa Mbayo

NOM: PHARMACIE DU PEUPLE, Ets — 5 employés
Commerce général, Pharmacie, Elevage, Transport
ADRESSE: B.P. 514, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. BAKAJIKA Hongo

NOM: NGOIE MUSHINGWE MUYA (NGOMUZ), Ets — 2 employés
Commerce général, Pisciculture, Elevage, Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOIE Mushingwe Muya

NOM: NSENGA TSHIKALA ILUNGA, Ets — 12 employés
Commerce général, Plantations, Elevage
ADRESSE: B.P. 492, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NSENGA Tshikala Ilunga

NOM: WA MBALA, Ets — 3 employés
Commerce général, Studio photo, Elevage, Cultures vivrières
ADRESSE: B.P. 12, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MBAYO wa Mbala

NOM: TSHAKAKA, Ets — 8 employés
Commerce général, Transport
ADRESSE: B.P. 281, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. KALALA Tshabakaya

NOM: ILUNGA WA NDALA, Ets — 4 employés
Commerce général, Transport routier
ADRESSE: B.P. 312, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. ILUNGA Ndala

NOM: LUMPALA WA MBAYO, Ets — ? employés
Commerce général, Transport routier
ADRESSE: B.P. 188, KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOM: MPIANA DISWA (MPIDIS), Ets — 15 employés
Commerce général, Transport routier, Imprimerie
ADRESSE: B.P. 363, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MPIANA Diswa

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: SHABA LUX "BATA YA SIKA", SPRL — 3 employés
Commercialisation souliers "Bata"
ADRESSE: B.P. 350, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: KOBOLA KIBEMBA, Ets — ? employés
Cultures vivrières
ADRESSE: B.P. 23, KITENGE-KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOM: KOMBE KAFUNAMA "KOFAK", Ets — ? employés
Cultures vivrières
ADRESSE: B.P. 77, KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOM: MUTIDJAWA KAHAMBO (SAMUKA), Ets — 13 employés
Cultures vivrières, Hotellerie
ADRESSE: B.P. 118, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. SALUMU Mutidja wa Kahambo

NOM: COGIZA, SPRL — 3 employés
Fabrication et vente mousse, Transport routier
ADRESSE: KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: HOTEL "AUX QUATRE COINS", Ets — 1 employés
Hotellerie
ADRESSE: KAMINA, SHABA
NOM DU DIRIGEANT: Cit. UMPASA Monga Kadiba

NOM: HOTEL DU LAC, Ets — 40 employés
Hotellerie
ADRESSE: B.P. 98, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. FALU Ilunga

NOM: HOTEL FASI-YETU, Ets — 6 employés
Hotellerie
ADRESSE: B.P. 206, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. FUENDE Lupona Ntalaja

NOM: TSHIBANVUNYA, Ets — 11 employés
Hotellerie
ADRESSE: B.P. 49, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. TSHIBANVUNYA Byadunia

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PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: HOTEL KANAMU, Ets — 6 employés
Hotellerie, Bar
ADRESSE: B.P. 125, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. KANANDA Mussa

NOM: MUNGONGA KASONGO MAKANYAKA (MKM CHALU), Ets — 12 employés
Hotellerie, Elevage volailles, Plantation palmiers, Cultures vivrières
ADRESSE: B.P. 287, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. MUNGONGA Kasongo Makanyaka

NOM: KABWE MUYENGA KAZADI (KAM'KA), Ets — 6 employés
Hotellerie, Menuiserie
ADRESSE: B.P. 145, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. KABWE Muyenga Kangoli

NOM: HOTEL YOHARI, Ets — 4 employés
Hotellerie, Transport routier
ADRESSE: B.P. 191, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. ISSA Abedi Lodimba

NOM: FILTISAF (Filatures-Tissages et Impressions A — 1369 employés
Manufacture de textile
ADRESSE: B.P. 677, KALEMIE, SHABA
NOM DU DIRIGEANT: MM. KOB Jean et LECHIEN B.

NOM: MEKA, Ets — 8 employés
Menuiserie
ADRESSE: B.P. 365, KALEMIE, SHABA
NOM DU DIRIGEANT: Cit. KALUNGA Tuite Dodo

NOM: PECHERIE INDUSTRIELLE NYUNZU (P.I.N.), Ets — 60 employés
Peche industrielle
ADRESSE: B.P. 187, KALEMIE, SHABA
NOM DU DIRIGEANT: Mr. SIDERIS Panayotis

NOM: KAPATA WA UMBA, Ets — 9 employés
Pharnacie, Librairie-Papeterie
ADRESSE: B.P. 31, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. NGOY Kapata

NOM: CIMENTS-LACS, SARL — ? employés
Production de ciment
ADRESSE: B.P. 39, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

PRIVATE SECTOR PROJECT DESIGN

SMALL AND MEDIUM ENTERPRISES IDENTIFIED IN KALEMIE AND KAMINA

NOM: GARAGE DU ZAIRE, Ets ? employés
Réparation et entretien vehicules
ADRESSE: B.P. 45, KAMINA, SHABA
NOM DU DIRIGEANT: Cit. MANGALA Senji

NOM: SOCIETE DE TEXTILES INDUSTRIELS AFRICAINS (TE 61 employés
Tissage et confection lourde
ADRESSE: B.P. 677, KALEMIE, SHABA
NOM DU DIRIGEANT: ?

NOM: KYASHA BILENGE, Ets ? employés
Transport routier
ADRESSE: B.P. 310, KAMINA, SHABA
NOM DU DIRIGEANT: ?

NOMBRE TOTAL D'ENTREPRISES RECENSEES: 120

APPENDIX 3

DATA COLLECTION QUESTIONNAIRES

SMALL AND MEDIUM ENTERPRISES
FINANCIAL INTERMEDIARIES
TRAINING INSTITUTIONS

COOPERS & LYBRAND

USAID

PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

QUESTIONNAIRE D'EVALUATION DES P.M.E.
CHECK-LIST FOR THE ANALYSIS OF S.M.Bs.

1. IDENTIFICATION DE L'ENTREPRISE
IDENTIFICATION OF THE COMPANY

1.1. Nom de l'entreprise;
Name of the company;

1.2. Statut juridique;
Legal status;

1.3. Numéro d'identité nationale;
Registration number;

1.4. Secteur d'activité;
Sector of activity;

1.5. Nom du dirigeant/propriétaire;
Name of the owner/of the manager;

1.6. Localisation de l'activité principale;
Location of the main activity;

1.7. Adresse de l'entreprise;
Address;

1.8. Date de création de la société;
Date of the formation of the company;

1.9. Chiffre d'affaire actuel;
Present gross sales;

1.10. Nombre d'employés;
Present number of employees;

1.11. Date d'entrevue;
Date of interview;

1.12. Nom et position de la personne interrogée.
Name and title of interviewee.

2. ACTIVITES
ACTIVITIES

2.1. Activité principale de l'entreprise;
Main activity of the company;

2.2. Activité(s) secondaire(s);
Other activities;

2.3. Type de produit(s) et de service(s) rendus;
Type of products/services sold;

2.4. Répartition de l'activité par produit ou type de produit;
Breakdown of the activity by product or category of products;

2.5. Localisation du centre de production principal;
Location of the main production center;

2.6. Localisation d'autre(s) centre(s) de production;
Location of other production centers;

2.7. Machines et technologie utilisée;
Type of equipment and technology used;

2.8. Principaux fournisseurs locaux et étrangers;
Main local and foreign suppliers;

2.9. Montant moyen d'achat par type de marchandises achetées;
Average purchase order value by type of merchandise bought;

2.10. Délai moyen de réception des marchandises commandées;
Average delay between purchase order and delivery of goods;

2.11. Saisonnalité de l'activité de production;
Yearly production cycle;

2.12. Nouveaux produits/services fabriqués/vendus au cours des trois dernières années;
New product(s) or service(s) manufactured/sold over the last three years;

2.13. Valeur du stock de produits finis en jours de production;
Value of the finished products inventory in days of production;

2.14. Taux moyen de rebut à l'issue du processus de production et de distribution;
Average percentage of rejects at the end of the manufacturing process;

2.15. Projets de nouveaux produits ou services;
Proposed new products and services to be marketed;

2.16. Projets d'achat d'équipement, de modernisation de l'outillage, d'agrandissement des installations, etc...;
Proposed new investments in manufacturing and distribution equipment, improvement of existing facilities, etc...;

2.17. Principaux problèmes de production et suggestions pour l'amélioration de la situation.
Main production problems and recommendations for their improvement.

2.18. Problèmes d'approvisionnement (délai, financement, fiabilité des fournisseurs, etc...);
Problems in purchasing and provisioning (delay, cost, reliability of suppliers, etc...);

3. ASPECTS COMMERCIAUX
MARKETING AND SALES

3.1. Nombre et type des clients réguliers (par taille, produits ou services achetés, localisation, etc...);
Number and type of regular clients (by size, products or services purchased, location, etc...);

3.2. Fourchette et taille moyenne des commandes;
Min, max and average size of client's purchase;

3.3. Répartition du chiffre d'affaire par client;
Breakdown of gross sales by client;

3.4. Evolution du chiffre d'affaire (en monnaie courante) au cours des trois dernières années;
Change in gross sales over the last three years (in current zaires);

3.5. Répartition du chiffre d'affaire par produit ou type de produit;
Breakdown of gross sales by product or type of products sold;

3.6. Méthode utilisée pour établir les prix de vente;
Method used for pricing;

3.7. Périodicité de révision des prix;
Frequency of price review;

3.8. Méthode de révision des prix;
Process used for price review;

3.9. Méthode employée pour développer les ventes (contacts directs, annonces, utilisation de représentants, etc...);
Marketing method (direct contacts with potential customers, advertisement, rep., etc...);

3.10. Canaux de distribution/vente employés (directe, grossiste, détaillants);
Distribution channels (direct sale, wholesalers, retailers);

3.11. Principaux concurrents et caractéristiques (taille, produits vendus, prix pratiqués, localisation de leurs activités, etc..);
Main competitors and their characteristics (size, products offered, price of their products, location of their activities, etc...);

3.12. Politique de vente: comptant, crédit (durée, montant dépôt requis);
Sale policy: cash, credit (days credit given, downpayment, etc...);

3.13. Politique d'escompte pratiquée;
Discount policy;

3.14. Durée moyenne du crédit octroyé aux clients;
Average duration of customer credit;

3.15. Modalités d'octroi du crédit client;
Policy for granting credit to customers;

3.16. Volume et balance agée des comptes à recevoir;
Total aged receivables;

3.17. Principaux problèmes commerciaux et suggestions pour l'amélioration de la situation.
Main marketing and sales problems and recommendations for their improvement.

4. DIRECTION GENERALE
TOP MANAGEMENT

4.1. Dirigeant seul propriétaire, gérant avec ou sans participation au capital, aux bénéfices;
Managing Director as sole proprietor, principal or minority shareholder, manager with or without profit sharing;

4.2. Autre(s) propriétaire(s) et rôle dans la gestion de l'entreprise;
Other shareholders and their role in the company management;

4.3. Age du dirigeant;
Age of the Managing Director;

4.4. Formation du dirigeant et expérience antérieure;
Education, training and former experience of the Managing Director;

4.5. Durée à la tête de l'entreprise;
Duration as Managing Director;

4.6. Présence de parents dans l'entreprise;
Relatives employed in the company;

4.7. Répartition du temps du dirigeant (production, vente, administration financière, gestion du personnel, relations avec les autorités, etc...);
Percentage of the Managing Director's time spent on various activities (production, sales, finance, personnel, relationship with Government representatives, etc...);

4.8. Principaux problèmes au niveau de la direction et suggestions pour l'amélioration de la situation.
Main organizational and personnel problems and recommendations for their improvement.

5. ORGANISATION ET PERSONNEL
ORGANIZATION AND PERSONNEL

5.1. Organigramme (si existant);
Organization Chart (if exists);

5.2. Personnel employé par catégorie (cadres/main-d'oeuvre), par métier, secteur de l'entreprise (production, administration, vente, etc..);
Breakdown of personnel employed by category (manager/workers), by trade, by department (production, administration, sales, etc...);

5.3. Evolution du nombre d'employés au cours des trois dernières années;
Changes in total employees over the past three years;

5.4. Nombre de départ volontaires ou non au cours des trois dernières années;
Turnover of employees over the past three years;

5.5. Nombre de personnes recrutées au cours des trois dernières années;
Number of employees recruited over the past three years;

5.6. Méthodes employées pour recruter le personnel;
Recruitement policy and methods;

5.7. Structure salariale et salaires moyens par catégories d'employés;
Salary structure and average pay per category of employee;

5.8. Avantages en nature octroyés au personnel;
Existing fringe benefits;

5.9. Périodicité des revues de salaire;
Frequency of salary review;

5.10. Utilisation primes de rendement ou autres incitations monétaires ou non;
Productivity and performance bonuses;

5.11. Utilisation main-d'oeuvre temporaire (raisons);
Use of temporary workers (reasons);

5.12. Coût comparatif main-d'oeuvre temporaire et permanente;
Comparative cost of permanent and temporary workers;

5.13. Existence syndicat actif ou non;
Presence of Union whether active or not;

5.14. Niveau d'absentéisme;
Average level of absenteism;

5.15. Principaux problèmes [illegible] rsonnel et suggestions pour l'amélioration de la sit[illegible]
Main personnel manag[illegible] problems and recommendations for their improvement.

6. BESOINS ET EFFORTS DE FORMATION
TRAINING NEEDS AND PROGRAMS

6.1. Ancienneté moyenne du personnel dans l'entreprise;
Average length of employment of the personnel in the company;

6.2. Age moyen du personnel employé;
Average age of employees;

6.3. Besoins de formation du personnel (type);
Training needs by category of employees;

6.4. Existence d'efforts de formation interne à l'entreprise;
Internal training program and facility;

6.5. Utilisation de services de formation extérieurs;
Use of external training organization(s);

6.6. Nombre d'employés formés par l'entreprise ou à l'exterieur au cours des trois dernières années et type de formation dispensée;
Number of employees trained over the past three years and type of training provided;

6.7. Coût estimé de la formation interne ou externe d'un travailleur;
Estimated cost of training an employee;

6.8. Appréciation de la qualité des services de formation utilisés;
Evaluation of the quality of the training services used;

6.9. Programme(s) de formation prévu(s) à court terme (1 an).
New training planned in the short term.

7. ASPECTS FINANCIERS
FINANCIAL DATA

7.1. Evolution du chiffre d'affaire au cours des trois dernières années;
Change in turnover over the past three years;

7.2. Saisonnalité du revenu;
Seasonality of gross sales;

7.3. Evolution du bénéfice en zaires et en pourcentage du chiffre d'affaire au cours des trois dernières années;
Change in profit, in zaires and as a percentage of turnover, over the past three years;

7.4. Revenu net sur Fonds propres;
Net profit on shareholders'equity;

7.5. Revenu net sur chiffre d'affaire, sur immobilisés;
Net profit on revenue, on fixed assets;

7.6. Répartition du capital et de la propriété;
Shareholders and their percentage ownership;

7.7. Valeur des principaux postes du bilan;
Value of the main components of the balance sheet;

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7.8. Evolution de la structure du capital depuis la création de l'entreprise;
Change in capital and ownership structure since founding of company;

7.9. Dépenses d'investissement réalisées au cours des trois dernières années;
Capital expenditure over the past three years;

7.10. Evolution de l'endettement de l'entreprise au cours des trois dernières années;
Change in company's debt position over the past three years;

7.11. Balance agée et valeur totale des comptes à payer;
Total aged accounts payable;

7.12. Nature et valeur des actifs immobilisés de l'entreprise par catégorie (bâtiments, vehicules, machines, etc..), âge et état;
Type, gross and net book value of the various fixed assets (buildings, equipment, vehicles, etc...), age and condition;

7.13. Valeur et composition du stock de matières premières, fournitures et pièces de rechange;
Inventory value (total and by category) of raw materials, consumables and parts;

7.14. Balance âgée et valeur totale des comptes à recevoir;
Total value and aging balance of accounts receivables;

7.15. Délai moyen entre fourniture prestation/produit et facturation;
Average delay between delivery of goods to client and invoicing;

7.16. Délai moyen entre facturation et encaissement total ou partiel;
Average delay between invoicing and payment by client;

7.17. Pourcentage du total de la facturation et montant moyen des créances douteuses;
Average value of bad debts, and total as a percentage of sales;

7.18. Valeur des principales composantes du compte d'exploitation;
Value of the main components of the income statement;

7.19. Montant annuel ou mensuel moyen des achats effectués, en zaires et en devises;
Average yearly and monthly purchases, in zaires and in foreign currency;

7.20. Montant mensuel moyen des salaires payés et coût total du personnel (incluant frais médicaux,cotisations sociales, avantages en nature, etc...);
Average monthly cost of personnel and its breakdown (direct salary, fringe benefits, taxes and other burdens, etc...);

7.21. Existence d'un budget prévisionnel de revenus et dépenses;
Preparation of revenue and expenses budget;

7.22. Méthodes de suivi des réalisations par rapport au budget;
Budgetary control process;

7.23. Existence d'une comptabilité auditée ou non;
Company books audited or not;

7.24. Type de comptabilité tenue (partie double, caisse, analytique, manuelle ou informatisée, etc..);
Type of accounting used (double-entry, single-entry, cash accounting, cost accounting, etc...);

8. FINANCEMENT DE L'ENTREPRISE
FINANCING OF THE COMPANY

8.1. Situation actuelle de trésorerie;
Present cash position;

8.2. Besoins en fonds de roulement;
Working capital needs;

8.3. Méthodes d'établissement des besoins et principes d'investissement;
Investment policy;

8.4. Dépenses d'investissement projetées, financement total requis et moyens de financement prévus (fonds propres, emprunt);
Proposed capital expenditures and sources of financing for the project (equity, borrowing);

8.5. Moyens de financement à court, moyen et long terme utilisé (crédit fournisseur, fonds propres, emprunts banquaires ou autres);
Short-, medium- and long-term financing used (suppliers'-credit, equity, retention of profits, bank or other borrowing);

8.6. Utilisation des fonds de trésorerie quand disponibles (réinvestissement, placements, distribution, etc...);
Utilization policy of available cash (ploughback, payment of dividends, investment, etc...);

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8.7. Exigences requises par les fournisseurs pour donner du crédit;
Suppliers'credit policy and requirements;

8.8. Durée moyenne du crédit octroyé par les fournisseurs et montant total obtenu;
Average duration of credit obtained from suppliers and total present amount;

8.9. Nom des banques ou autres institutions financières avec lesquelles l'entreprise fait affaire;
Name of banks or other financial intermediaries used by the company;

8.10. Types de services demandés aux banques ou autres institutions financières (compte de dépôt, découvert, lettre de crédit, emprunt, etc...), et types de services obtenus;
Fianncial services asked from the banks or other financial institutions (checking account, overdraft, Letters of credit, loans, etc...) and services provided;

8.11. Raisons invoquées par les institutions financières contactées pour refuser de fournir un service demandé;
Reasons given by the financial institutions approached to turn down a servive request;

8.12. Si emprunt, projet soumis, montant demandé et obtenu et conditions exigées par la banque pour l'octroi du prêt (garanties, taux d'intérêt, durée, délai de grâce, etc...);
If bank or other borrowing, project submitted, amount requested and obtained and general conditions of the loan (security, interest, term, etc...);

8.13. Montant des frais financiers annuels et charge de remboursement d'emprunts;
Yearly banking costs and loan repayments;

8.14. Principaux problèmes financiers et suggestions pour l'amélioration de la situation.
Main financial problems and recommendations for their improvement.

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PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

QUESTIONNAIRE D'ANALYSE DU ROLE DES INTERMEDIAIRES FINANCIERS
FINANCIAL INTERMEDIARIES INTERVIEW QUESTIONNAIRE

1. IDENTIFICATION DE L'INSTITUTION FINANCIERE
IDENTIFICATION OF FINANCIAL INSTITUTION

1.1. Nom de l'institution financière étudiée;
Name of the financial institution reviewed;

1.2. Date de l'entrevue;
Date of interview;

1.3. Nom et position de la personne interrogée;
Name and title of person interviewed;

1.4. Présentation générale (montant total des dépôts, actifs totaux, nombre de personnes employées, structure d'organisation, nombre et localisation des agences, montants totaux des prêts, etc...).
General overview (total assets, deposits, number of employees, organization, number and location of branches, total loans, etc...).

2. ROLE JOUE VIS A VIS DES P.M.E.
ROLE PLAYED TOWARDS S.M.Bs.

2.1. Distribution de la clientèle (tous services financiers confondus) par taille d'entreprise;
Percentage distribution of financial services customers by size of company;

2.2. Distribution des prêts à court, à moyen et à long terme (nombre et valeur totale) par taille d'entreprise emprunteuse;
Percentage distribution of short, of medium and of long-term loans (number and total value) by size of borrowers;

2.3. Contraintes réglementaires ou statutaires limitant la possibilité de répondre aux besoins des P.M.E.;
Legal or statutory constraints hampering financial institution to play a more important role towards S.M.Bs.;

2.4. Contraintes au niveau des ressources disponibles (financières et techniques) gênant le développement du crédit aux P.M.E.;
Technical or money supply constraints hampering development of credit to S.M.Bs.;

2.5. Type de facilités banquaires demandées par, et accordées aux P.M.E. (découvert, escompte des effets à recevoir, prêts, etc...), par ordre de fréquence;
Type of banking services most frequentely requested by, and offered to S.M.Bs. (overdraft, bills discounting, loans, etc...);

2.6. Priorités d'expansion en terme de type de services financiers et types de clients;
Expansion priorities in terms of type of financial services and type of clients;

2.7. Politique de promotion des services financiers en direction des P.M.E.
Financial services promotion and marketing policy towards S.M.Bs.

3. CARACTERISTIQUES DU CREDIT AUX P.M.E.
CHARACTERISTICS OF CREDIT TO S.M.Bs

3.1. Types de projets soumis par les P.M.E dans leurs demandes de prêts, par ordre de fréquence;
Types of projects submitted by S.M.Bs. in their loan requests, in decreasing order;

3.2. Types de prêts accordés aux P.M.E.: court-, moyen-, long-terme et répartition en pourcentage du total accordé à cette catégorie de clients;
Type of loans granted to S.M.Bs.: short-, medium-, long-term and part of each as a percentage of total granted to this category of customers;

3.3. Critères utilisés dans l'évaluation des demandes de prêts;
Criteria used in loan request evaluation;

3.4. Méthodes utilisées pour obtenir des informations sur le demandeur d'un prêt, et type d'information recherchées;
Method used to find information on the prospective borrower and type of information sought;

3.5. Terme maximum, moyen et médian des prêts accordés aux P.M.E.;
Maximum, average and median S.M.Bs'loans term;

3.6. Politique suivie en matière de garantie;
Security policy;

3.7. Valeur des montant prêtés en fonction de la valeur des différents types de garanties offertes;
Value of the loans as a percentage of the value of the security offered;

3.8. Modalités des différentes catégories de prêts effectués (taux d'intérêt, garanties exigées, frais divers, etc...);
Characteristics of the various loan categories (interest rate, other costs, security, etc...);

3.9. Délai moyen d'approbation d'une demande de prêt;
Average duration of a loan approval process;

3.10. Raisons, par ordre de fréquence, de rejet des demandes de prêt;
Most frequent reasons for turning down a loan request;

3.11. Pourcentage des prêts accordés sur lesquels des problèmes de remboursement interviennent et principales causes;
Percentage of loans on which problems occur (default, repayment delays, etc...) and main reasons ;

3.12. Montant maximal des prêts qui peuvent être accordés sans l'accord du Siège;
Largest loan which can be made without Head Office approval;

3.13. Comparaison entre dépôts et prêts accordés (toutes catégories de clients), par agence.
Branches as net savers or lenders (all categories of borrowers).

4. CONDITIONS DE DEVELOPPEMENT DE L'ACTION ENVERS LES P.M.E.
ACTIONS REQUIRED TO INCREASE ROLE TOWARDS S.M.Bs.

4.1. Suggestions de mesures à prendre (dans les domaines financiers, réglementaires, techniques et autres) pour accroitre le role de l'institution financière vis à vis des P.M.E.
Recommended measures (financial, technical, legal, reglementary and other) to help the financial institution in playing a more important role towards S.M.Bs.

USAID

PRIVATE SECTOR STRATEGY AND PROGRAM DESIGN

QUESTIONNAIRE D'EVALUATION DES RESSOURCES DE FORMATION
TRAINING RESOURCES EVALUATION QUESTIONNAIRE

1. DESCRIPTION GENERALE DE L'ORGANISME DE FORMATION
GENERAL DESCRIPTION OF THE TRAINING INSTITUTION

1.1. Date de l'entrevue;
Date of interview;

1.2. Nom et position de la personne interrogée;
Name and title of person interviewed;

1.3. Nom et localisation de l'organisme de formation;
Identification of the training center;

1.4. Date de création de l'organisme de formation;
Founding date;

1.5. Status juridique;
Legal status;

1.6. Objectifs de départ en terme de formation à dispenser et en terme de clientèle visée, réorientation éventuelle et raisons pour celle-ci;
Original objectives in terms of training and of clientele, change made and reasons why they were made;

1.7. Localisation et description des installations disponibles;
Location and description of the training center;

1.8. Nom, formation et expérience du directeur;
Name, education and professional experience of the managing director;

1.9. Nombre de personnes employées par secteur (corps professoral, administration, divers) et évolution des diverses catégories au cours des trois dernières années;
Number of employees by department (teaching, administration, other) and change over the past three years;

1.10. Sujets enseignés régulièrement et occasionnellement;
Courses taught regularly and occasionally;

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1.11. **Description de la qualification et de l'expérience des divers membres du corps professoral permanent.**
Description of education and training of the permanent teachers.

2. DONNEES SUR L'ENSEIGNEMENT OFFERT
CHARACTERISTICS OF THE TRAINING OFFERED

2.1. Nombre d'heures de cours dispensé annuellement, par discipline, et évolution au cours des trois dernières années;
Number of hours of teaching, by type of course, and change over the past three years;

2.2. Durée moyenne d'un cours (nombre d'heures réparties sur combien de jours ou semaines);
Average course duration (number of hours over how many days or weeks);

2.3. Nombre de sessions, dans l'année, pour chacun des sujets enseignés;
Number of time an individual course is taught during the year;

2.4. Période d'ouverture dans l'année et horaires de fonctionnement du centre de formation;
Number of weeks per year the center is operating and regular business hours;

2.5. Taille moyenne des classes et variation d'un type de cours à un autre;
Average number of students per class and significant differences from one type of course to the other;

2.6. Nombre de personnes formées annuellement par discipline et évolution au cours des trois dernières années;
Number of people trained annually, by subject, and change over the past three years;

2.7. Caractéristiques de la clientèle estudiantine, par discipline (inscription individuelle ou programme financé par l'employeur, âge, provenance géographique, données socio-professionnelles, sexe, etc...);
Characteristics of the students (individual enrolement or program paid for by employer, age, sex, origin, socio-economic data, etc...);

2.8. Type d'enseignement dispensé (theorique, pratique, sur le lieu de travail, etc...);
Type of training (academic, practical, on-the-job, etc...);

2.9. Taux moyen de réussite, par discipline;
Average success rate, by discipline;

2.10. Méthodes pédagogiques utilisées (audio-visuel, étude de cas, cours magistraux, travaux pratiques, etc...);
Training methods (audio-visual, case studies, lecture, seminar, workshop, etc...);

2.11. Documentation et équipements pédagogiques disponibles (bibliothèque de référence, cours imprimés, matériel de travaux pratiques, etc...);
Available training material and equipment (library, course documentation, tools, etc...);

2.12. Méthode de contrôle de la qualité et de l'adéquation de l'enseignement;
Training relevancy and quality control process;

2.13. Enseignement sanctionné par un certificat ou un diplôme officiel;
Deliverance of an official certificate or diploma;

2.14. Critères et méthode utilisée pour l'admission des candidats;
Criteria and method used for enrolment;

2.15. Mécanismes d'évaluation des connaissances acquises à l'issue de l'enseignement;
Individual progress control method;

2.16. Méthode utilisée pour évaluer, à moyen terme, l'impact de l'enseignement dispensé sur les étudiants (facilité dans la recherche d'emploi, enquête de productivité auprès des employeurs, etc...);
Method used to evaluate the medium-term impact of the training (interview of employer to assess increase of productivity of former trainees, research among former students to assess if training helped to obtain job, etc...);

2.17. Réalisation d'enquêtes pour évaluer l'image de marque du centre de formation et de l'enseignement dispensé auprès de la population ou des employeurs;
Measures taken to evaluate image of the Center and of the quality of its training among population and employers;

2.18. Utilisation de professeurs extérieurs, sur une base occasionnelle, et provenance de ces ressources associées (autres instituts de formation, coopération internationale, monde des affaires, etc...);
Use of associate professors and their origin (other training institutions, international projects, business world, etc...);

2.19. Existence d'échanges réguliers ou occasionnels avec d'autres centres de formation nationaux ou étrangers, et type de ces échanges;
Exchange programs, on a regular basis or not, with other local or foreign training centers and their type;

2.20. Mécanismes d'analyse des besoins de formation à satisfaire;
Method used for analysis of the training needs;

2.21. Nouveaux cours de formation en préparation et date prévue de leur mise en oeuvre.
New courses in development and date at which they will be offered.

3. ASPECTS FINANCIERS
FINANCIAL DATA

3.1. Evolution du bilan et du compte d'exploitation au cours des trois dernières années;
Balance sheet and income statement of the past three years;

3.2. Investissements réalisés (dans le domaine pédagogique ou non) au cours des trois dernières années;
Training and other investments made over the past three years;

3.3. Coût moyen de la formation d'un élève;
Average training cost per student;

3.4. Montant des frais d'inscription et de scolarité demandés;
Tuition and courses fees;

3.5. Sources permanentes de financement de l'organisme (subventions, entreprises, élèves, etc...) et évolution du montant et de la provenance au cours des trois dernières années;
Sources of regular income (State, private companies, students) and change in value and percentage over the past three years;

3.6. Existence d'une assistance financière ou technique extérieure et, dans l'affirmative, caractéristiques de celle-ci (provenance, objet, durée, montants accordés, etc...).
Outside financial or technical assistance and its characteristics (source, type, duration, value, objectives, etc...).

4. PROBLEMES RENCONTRES ET SOLUTIONS PROPOSEES
PROBLEMS AND SUGGESTIONS

4.1. Contraintes rencontrées dans le développement du centre de formation, par ordre d'importance, et recommendations pour leur solution.
Main constaints hampering the development of the training center, and recommendations for solutions.

APPENDIX 4

COMPANY PROFILES

U S A I D

PRIVATE SECTOR PROJECT DESIGN

LIST OF COMPANY PROFILES

NAMES	CODE
ALLGLASS - ZAIRE	ALL
ALPHA Peintures	ALP
ASCO (Manufacture d'Articles de Papiers)	ASC
ATOMIC (Atelier Torrefaction Moderne)	ATO
AU BON GOUT	BON
CARTOZAIRE III (Cartonnerie du Zaire)	CAO
Chaussures WA KUBIKUYU	CHA
C.M.S. (Construct. Métalliques du Shaba)	CMS
MENUISERIE CONCEPT DESIGN	COD
COGETRA (Compagnie Générale de Transformation)	COG
COMPTOIR KINOIS	COK
CORTHOZA (Cordonnerie Orthopédique du Zaïre)	COR
DIANA (Ste Indust. Zaïroise de Textiles)	DIA
DISTRIBUTION KINOISE (Entreprise Individuelle)	DIK
Ets DOVELLE N'KANU	DOV
ELITEX (Société des Dérives Textiles)	ELI
ENTRICO (Ent. Industrie, Commerce, Bâtiments, Trav.)	ENT
ZAIRE ENTANCHEITE	ETA
FRIGO-MOERO	FRI
IMPAZA (Imprimerie et Papeterie Zaïroises)	IMP
INATRAP	INA
INCOMETAL	INC
KEDAR (Entreprise Individuelle)	KED
LANGI - SHABA	LAS
LANGI - ZAIRE	LAZ
L.C.L. (Laiterie Coopérative de Lubumbashi)	LCL
Entreprise MARUCCHI G.	MAR
MAZAM'L (Entreprise Individuelle)	MAZ
Menuiserie Ebenisteries DIAWA (Ent. Individuelle)	MEN
METALU	MET
Maison NGOIE MUTELE	NGO
ROSIER (Anciens Etablissements)	ROS
SABUNI Limited	SAB
SAFEM (Société Africaine de Tubes & Emballages)	SAF
SAVA et MILLER	SAV
S.I.R. (Société des Industries Réunies)	SIR
SOMETOLE (Société de Mécanique et de Tôlerie)	SOM
SONPEK	SON
SOTRAL (Société de Transform. de l'Aluminium)	SOT
SOZABAT	SOZ
SOCIETE NATIONALE DE LA MAIN D'OEUVRE	SNM
TANGI et Frères/MOUSSE	TAN
TARICA Frères	TAR
UPEKO (Usine de Peinture Kombe)	UPE

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ALL Page 1 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: ALLGLASS - ZAIRE (S.P.R.L.) | Id. Nber: A 03546E

Address: 10eme rue Limete, KINSHASA B.P. 745 Phone: 77108

Shareholders: Mr. Walther VAN SCHOOR (60 %)
Cit. Tukutiti Malu Munzila (40 %)

Manager: Mr. Walther Van Schoor	1st Oper: 1952	Creation: 1977
since: 1977	Sales 1986: 43.901,	Employees: 48

Activity: Glaziery and mirror manufacturing and cutting.

PROVISIONING

Raw materials: Sheets of float glass
Chalk & Palm oil (for mastic).

Sources: Mostly import, Local for mastic ingredients.

Value of 1986 purchases: N/A
Delay (months): 3 months
Purchasing mode: Documentary credit

Problems: Lack of foreign exchange to build inventory of all the various types of glass required by the mrkt.

PRODUCTION

Process: Custom-made glass items.

Age of machinery: From 20 to 2 years.
Installed capacity: 100.000 m2/year
Used capacity: 40.000 m2/year.

Projects: New equipment to improve quality (thick glass).

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			26
Admin.			8
Sales			8
Others			6
			48

Permanent employees:	1984	1985	1986
	46	44	42

Temp. workers: No

Average Nber of years in Cy: 12 years

Training needed: Accounting, Computer English language.

Training org. used: Technical training institute in Belgium.

Quality evaluation: Good

MARKETING AND SALES

Products: Custom-made mirrors and glass items (table tops to bullet-proof windows).

Clientele: Kinshasa market, main clients are LAFLEUR, CASA, AUXELTRA SAFRICAS, the Banks.

Channels: Wholesalers, Building contractors and direct sale to public.

Sales policy: Cash on order or delivery

Competitors: None with capacity to offer the whole range of products.

Problems:

N.B: Zaire figures are in 1,000 zaires.

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ALL Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	43,901
Other:	-
TOTAL:	43,901
EXPENSES:	
Raw materials:	40,489
Other goods & services:	997
Personnel:	4,321
Overhead:	2,867
Finance costs:	38
TOTAL:	48,712
GROSS MARGIN:	(4,811)
Deprec.& Provision:	(703)
NET INCOME:	(5,514)

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	2.0	0.0	1.0
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	2,544
Machinery:	1,128
TOTAL:	3,672
CURRENT ASSETS:	
Inventories:	3,031
Receivables:	5,046
Liquid assets:	1,688
TOTAL:	9,765
TOTAL ASSETS:	13,437
STOCKHOLDERS'EQUITY:	
Common stock:	1,637
Income retained:	1,871
TOTAL:	3,508
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	9,929
TOTAL:	9,929
TOTAL LIABILITIES:	13,437

Liquidity ratio: 0.67

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	None of any significance	
Suppliers:		
Clients:		
Others:		

Comments:

Banks used: UZB, BCZ, BDP.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:

Required long-term financing:
Purchase of new glass cutting and polishing equipment: $ 3.000
£ 14.000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ALP Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 15, 1987

Name: ALPHA Peintures - Entreprise Individuelle	Id. Nber: KO 25819

Address: 2, Ave. des Paturages, LUBUMBASHI B.P. 1244 Phone: 3982

Shareholders: Mr. VRATSALIS Alexandre - Sole owner

Manager: Mr. VRATSALIS Alexandre	1st Oper: 1973	Creation: 1973
since: 1973	Sales 1986: 20,000	Employees: 30

Activity: Manufacture of paint and associated products.

PROVISIONING

Raw materials: Solvants, Pigments Resin

Sources: RSA (100 %)

Value of 1986 purchases: 23,000
Delay (months): 3 months
Purchasing mode: Import Licences

Problems: Cash lock-up during import, unpredictability of foreign exchange availability at the banks for import.

PRODUCTION

Process: Grinding, Mixing.

Age of machinery: 1976
Installed capacity: N/A
Used capacity: N/A

Projects: -

Problems: None (though old, the machinery is well-maintained).

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			26
Admin.			4
Sales			
Others			

Permanent employees:	1984	1985	1986
	29	28	30

Temp. workers: No

Average Nber of years in Cy: 5 years

Training needed: None (on-the-job).

Training org. used: No

Quality evaluation:

MARKETING AND SALES

Products: Paints (85 %), Detergents & Disinfectants (7 %), Other (8 %).

Clientele: Gecamines-Exploitation (50%) SNCZ (25 %), Others (25 %)

Channels: Direct sales (with GCM and SNCZ) and Wholesalers.

Sales policy: 30 to 60-days credit to major clients, otherwise cash.

Competitors: PENAZA in Lubumbashi.

Problems: Competition of similar products imported by GCM, cost of unavoidable credit with GCM and SNCZ due to monetary depreciation (real credit to SNCZ sometimes exceeds 6 to 8 months).

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ALP Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 15, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	N
	O
Other:	T
TOTAL:	A
EXPENSES:	V
Raw materials:	A
Other goods & services:	I
Personnel:	L
Overhead:	A
Finance costs:	B
	L
TOTAL:	E
GROSS MARGIN:	N/A
Deprec.& Provision:	
NET INCOME:	N/A

	1984	1985	1986
Prod.(t.)			
Income.	15,000	17,000	20,000
Margin %	23	20	22
Invest.	-	-	-

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	148
CURRENT ASSETS:	
Inventories:	7,599
Receivables:	2,932
Liquid assets:	942
TOTAL:	11,473
TOTAL ASSETS:	11,621
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	5,096
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	6,525
TOTAL:	6,525
TOTAL LIABILITIES:	11,621

Liquidity ratio: 0.59

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Documentary credit for import of raw materials.

Banks used: BCZ, NBK.
Banking services refused (reasons):
Credit ceiling reached by banks.

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,500

Required short-term financing:
Working capital (B. Sheet): 1,000
requested: 5,000

Required long-term financing: None

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ASC Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

Name: ASCO (Manufacture d'Articles de Papier) - SPRL — Id. Nber: AO 3571G

Address: 114, Ave. Industrielle, LUBUMBASHI B.P. 73 — Phone: 3931

Shareholders: Mr. SAELS Guy
Cit. KIBWE Pampala

Manager: Mr. Guy SAELS	1st Oper: 1962	Creation: 1962
since: 1962	Sales 1986: 33,000	Employees: 40

Activity: Paper products manufacturing.

PROVISIONING

Raw materials: Rolls of raw paper.

Sources: RSA, Europe, Local (10 %)

Value of 1986 purchases: 22,000
Delay (months): 4 months
Purchasing mode: Import licences.

Problems: Lack of cash to open more licences and cost of capital lock-up.

PRODUCTION

Process: Mechanical process.

Age of machinery: Old but good condit.
Installed capacity: 750 t/year
Used capacity: 30 %

Projects: Purchase of a PC computer.

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	1	22	23
Admin.	3	14	17
Sales			
Others			

Permanent employees:	1984	1985	1986
	40	40	40

Temp. workers: No

Average Nber of years in Cy: 7 years.

Training needed: No

Training org. used: Training of two accountants (night courses). Organization used not disclosed.
Quality evaluation:

MARKETING AND SALES

Products: Toilet paper, Carbon paper, Paper for printing, Wrapping paper.

Clientele: Gecamines (32 %), SEDEC (7 %), Wholesalers (61 %).

Channels: Direct sales to Gecamines and local printers, Wholesalers.

Sales policy: Cash except Gecamines and SNCZ.

Competitors: No local industry but imports.

Problems: Unfair competition from products illegaly imported from Zambia.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ASC Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	32,896
Other:	211
TOTAL:	33,107
EXPENSES:	
Raw materials:	22,048
Other goods & services:	2,224
Personnel:	5,165
Overhead:	3,224
Finance costs:	106
TOTAL:	32,767
GROSS MARGIN:	340
Deprec.& Provision:	403
NET INCOME:	(63)

	1984	1985	1986
Prod.(t.)			
Income.	28,500	24,400	32,900
Margin %	1.1	(0.1)	(0.2)
Invest.	-	-	-

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (book value not revalued)	
Buildings:	48
Vehicles:	722
Machinery (+ Others: 1,998)	2,815
TOTAL:	3,585
CURRENT ASSETS:	
Inventories:	5,547
Receivables:	6,623
Liquid assets:	502
TOTAL:	12,672
TOTAL ASSETS:	16,257
STOCKHOLDERS'EQUITY:	
Common stock:	48
Income retained:	473
TOTAL:	521
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	15,736
TOTAL:	15,736
TOTAL LIABILITIES:	16,257

Liquidity ratio: 0.45

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	X	
Suppliers:		
Clients:		
Others:		

Comments: No information provided on details of the bank financing.

Banks used: BCZ, UZB, NBK.
Banking services refused (reasons): Bank of Zaire regulations.

REQUIRED FINANCING

Needed monthly oper.cash: ± 4,000

Required short-term financing:
Working capital (B. Sheet): 5,000

Required long-term financing: N/A

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ATO Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 19, 1987

Name: ATOMIC (Atelier Torrefaction Moderne) - Private | Id. Nber: C 348992

Address: 120, Ave. Industrielle, LUBUMBASHI B.P. 2758 Phone: 2286

Shareholders: Mr. Franco VAUDANO, owner.

Manager: Mrs. Franco VAUDANO	1st Oper: 1967	Creation: 1967
since: 1967	Sales 1986: 7,500	Employees: 14

Activity: Coffee burning, manufacturing of ice-cream.

PROVISIONING

Raw materials: Raw coffee, various products for ice-cream.

Sources: Local (Kivu)

Value of 1986 purchases: N/A
Delay (months): N/A
Purchasing mode: Cash

Problems: Difficulties in purchasing good quality coffee which is exported

PRODUCTION

Process: -

Age of machinery: Recent
Installed capacity: N/A
Used capacity: 25 %

Projects: -

Problems: -

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			13
Admin.			1
Sales			
Others			

Permanent employees:	1984	1985	1986
	16	18	14

Temp. workers: No

Average Nber of years in Cy: 5 years

Training needed: None.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Burnt coffee (80 %)
Ice-cream (20 %).

Clientele: Retail shops, Hotels and restaurants in Lubumbashi.

Channels: Direct sales.

Sales policy: Cash.

Competitors: A number of burnt coffee producers (large and small) in Goma (Kivu) and Kinshasa.
Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ATO Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 19, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	7,520
Other:	
TOTAL:	7,520
EXPENSES:	
Raw materials:	
Other goods & services:	
Personnel:	
Overhead:	
Finance costs:	
TOTAL:	6,811
GROSS MARGIN:	709
Deprec.& Provision:	-
NET INCOME:	709

	1984	1985	1986
Prod.(t.)			
Income.	3,176	5,332	7,520
Margin %	4.6	5.3	9.4
Invest.	-	-	-

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS:	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	
CURRENT ASSETS:	
Inventories:	
Receivables:	
Liquid assets:	668
TOTAL:	
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	N/A
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	
TOTAL:	N/A
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: Company works entirely on earnings.

Banks used: UZB, NBK.
Banking services refused (reasons): N/A

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Working capital requested: 200
Open credit of 5,000 to purchase coffee in Kivu.

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: BON Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: AU BON GOUT (Entreprise Individuelle) | Id. Nber: NRC 3432

Address: 2, Ave. Mawana, Ngaliema, KINSHASA B.P. 4876 Phone:

Shareholders: Cit. SEBINWA BAVUGABGRE (sole owner)

Manager: Cit. Sebinwa	1st Oper: 1985	Creation: 1985
since: 1985	Sales 1986: 5.400,	Employees: 14

Activity: Manufacturing of various food products (mostly pastries).

PROVISIONING

Raw materials: Flour, sugar, butter, etc..

Sources: Local

Value of 1986 purchases: 150,
Delay (months):
Purchasing mode: Cash.

Problems:

PRODUCTION

Process:

Age of machinery: 5 years (oven).
Installed capacity:
Used capacity:

Projects: Diversification of products

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			2
Admin.			3
Sales			8
Others			1
			14

Permanent employees:	1984	1985	1986
	-	2	6

Temp. workers: No

Average Nber of years in Cy: 1 year

Training needed: Technical training in bakery and pastry.

Training org. used: None.

Quality evaluation:

MARKETING AND SALES

Products: Cakes, Waffles, Meat and fruit pies, other catering produces.

Clientele: Neighbourhood

Channels: Direct sales to public.

Sales policy: Cash sales.

Competitors: Large industrial companies and chain of food stores.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: BON Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	4,831
Other:	-
TOTAL:	4,831
EXPENSES:	
Raw materials:	4,800
Other goods & services:	-
Personnel:	208
Overhead:	356
Finance costs:	-
TOTAL:	5,364
GROSS MARGIN:	(533)
Deprec.& Provision:	-
NET INCOME:	(533)

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %			11
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	500
Machinery:	700
TOTAL:	1,200
CURRENT ASSETS:	
Inventories:	300
Receivables:	-
Liquid assets:	150
TOTAL:	450
TOTAL ASSETS:	1,650
STOCKHOLDERS'EQUITY:	
Common stock:	990
Income retained:	500
TOTAL:	1,490
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	160
TOTAL:	160
TOTAL LIABILITIES:	1,650

Liquidity ratio: 0.93

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:	(A)	

Comments: (A) Loan from parents and relatives: 150, z.

Banks used: None

Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 1.125,

Required short-term financing:
Overdraft: 550, z.

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CAO Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 4, 1987

Name: CARTOZAIRE III (Cartonnerie du Zaire) - SPRL — Id. Nber: AO 8894S

Address: 29, Ave. Usoke, LUBUMBASHI B.P. 2999 Phone: 4062

Shareholders: Cit. NKEMA LILOO (97 %)
Cit. NKALE IMPONDA (3 %)

Manager: Cit. KAOMA Mwansa	1st Oper: 1962	Creation: 1974
since: 1987	Sales 1986: 18,000	Employees: 45

Activity: Manufacturing of goods in carboard.

PROVISIONING

Raw materials: "Kraft" and "Fleeting" paper.

Sources: Import from all countries but mainly RSA.

Value of 1986 purchases: 12,000
Delay (months): 2 months.
Purchasing mode: Import licences and suppliers'credit (custom warehoused)
Problems: Shortage of foreign exchange and cost of cash lock-up.

PRODUCTION

Process: Gluing of two "Kraft" plus one corrugated "Fleeting" paper.

Age of machinery: More than 20 years.
Installed capacity: 2 400 000 m2/year
Used capacity: 25 %

Projects: Manufacture of carboard boxes to package fruits, vegetables and eggs

Problems: Lack of spare parts to maintain an old machinery.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			15
Admin.			7
Sales			2
Others			21
TOTAL:	7	38	

Permanent employees:	1984	1985	1986
	42	40	45

Temp. workers: No

Average Nber of years in Cy: 12 years

Training needed: Technical training for maintenance workers.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Corrugated carboard packaging boxes (100 %).

Clientele: SABUNI (65 %), V.A.P., TABAZAIRE, D.A.I.P.N.

Channels: Direct orders from clients.

Sales policy: Downpayment of 30 % to 60 % on order, balance cash or 30-days credit on delivery.

Competitors: None in Lubumbashi.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CAO Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 4, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	17,201
Other:	3,720
TOTAL:	20,921
EXPENSES:	
Raw materials:	12,148
Other goods & services:	3,094
Personnel:	4,614
Overhead:	708
Finance costs:	136
TOTAL:	20,700
GROSS MARGIN:	221
Deprec.& Provision:	82
NET INCOME:	139

	1984	1985	1986
Prod.(t.)			
Income.	8,000	13,000	18,000
Margin %	< 0.0	< 0.0	0.8
Invest.	-	-	-

Books audited: Not every year.

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	32
Vehicles:	173
Machinery:	235
TOTAL:	440
CURRENT ASSETS:	
Inventories:	5,766
Receivables:	1,685
Liquid assets:	1,327
TOTAL:	8,778
TOTAL ASSETS:	9,218
STOCKHOLDERS'EQUITY:	
Common stock:	723
Income retained:	(795)
TOTAL:	(72)
THIRD PARTIES LIABILITIES:	
Long-term debts:	0
Short-term debts:	9,290
TOTAL:	9,290
TOTAL LIABILITIES:	9,128

Liquidity ratio: 0.32

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		

Comments: (A) Open credit of 800 at 36 % interest plus admin. costs.
(B) Suppliers'credit of 7,500 on 12/31/1986 (90-days from foreign suppliers).

Banks used: BCZ, NBK, UZB, BDP.
Banking services refused (reasons): N/A

REQUIRED FINANCING

Needed monthly oper.cash: ± 2,600

Required short-term financing:
Working capital B. Sheet: 4,400

Required long-term financing:
- Spare parts: 1,000
- Vehicles: 8,000

N.b: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CHA Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

Name: Chaussures WA KUBIKUYU - Individual company.	Id. Nber: -
Address: 76, Ave. Industrielle, LUBUMBASHI B.P. 4549	Phone: -
Shareholders: Cit. KABILA KINENKINDA, owner.	

Manager: Cit. KABILA Kinenkinda	1st Oper: 1977	Creation: 1977
since: 1977	Sales 1986: 2,600	Employees: 20

Activity: Shoe making (normal and orthopedic).

PROVISIONING

Raw materials: Leather.

Sources: Skins purchased localy and tanned in MOBA (Shaba).

Value of 1986 purchases: 1,600
Delay (months): N/A
Purchasing mode: Cash

Problems: Shortage and unreliability of supply of tanned skins.

PRODUCTION

Process: Hand made

Age of machinery: 1977 to 1984
Installed capacity: 500 pairs/month
Used capacity: 40 %

Projects: Modernization of the tools and building of a tannery.

Problems: Need to improve management techniques.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			10
Admin.			7
Sales			
Others			

Permanent employees:	1984	1985	1986
	17	13	19

Temp. workers: No

Average Nber of years in Cy: 4 years

Training needed: Management and technical.

Training org. used: ANEZA (project financed by EEC) - Management courses for the owner-manager.
Quality evaluation: Courses too theoretical.

MARKETING AND SALES

Products: Leather shoes (40 %)
Orthopedic shoes (30 %), Repair (30 %)

Clientele: CEPC (30 %), Others (70 %)

Channels: Direct sales, Wholesalers Retailers.

Sales policy: Cash and 50 % on order.

Competitors: BATA

Problems: Lack of working capital to finance inventory of raw material and finished products,
Need for a sales agency to increase margins.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CHA Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	2,640
Other:	
TOTAL:	2,640
EXPENSES:	
Raw materials:	1,600
Other goods & services:	
Personnel:	700
Overhead:	200
Finance costs:	34
TOTAL:	2,434
GROSS MARGIN:	206
Deprec.& Provision:	-
NET INCOME:	206

	1984	1985	1986
Prod.(t.)			
Income.	1,633	1,923	2,183
Margin %			
Invest. (from 1984 to 1986)			1,500

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	750
Vehicles:	600
Machinery:	3,115
TOTAL:	4,465
CURRENT ASSETS:	
Inventories:	
Receivables:	
Liquid assets:	
TOTAL:	N/A
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	N/A
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	
TOTAL:	N/A
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:	(C)	
Others:		

Comments: (A) Open credit of 100 at 34 % interest plus charges.
(B) Credit: 150
(C) Savings and Loans Cooperative credit of 200 (reimbursed).

Banks used: BCZ.
Banking services refused (reasons): Bank credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: ± 300

Required short-term financing:
Working capital (data provided cannot allow calculation of required amount)

Required long-term financing:
- Installation of a tannery (amount needed not determined),
- Rehabilitation of existing equipment and purchase of new one: ± 6,000
- Building: ± 2,000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CMS Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 15, 1987

Name: C.M.S. (Constructions Metalliques du Shaba) Private | Id. Nber: C 32071M

Address: 40, Ave. Industrielle, LUBUMBASHI B.P. 1455 Phone:

Shareholders: Mr. CILLARIO SABINO

Manager: Mr. CILLARIO Sabino	1st Oper: 1980	Creation: 1980
since: 1980	Sales 1986: 13,800	Employees: 36

Activity: Metal products.

PROVISIONING

Raw materials: Sheet metal, sectio al steel, wires, etc..

Sources: RSA, some local wholesalers.

Value of 1986 purchases: N/A
Delay (months): 3 months
Purchasing mode: Import Licences

Problems: Lack of foreign exchange to import raw materials.

PRODUCTION

Process: mechanical.

Age of machinery: Excellent condition
Installed capacity: N/A
Used capacity: 25 %

Projects: Hydraulic pumps repair.

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	3	32	35
Admin.	1		1
Sales			
Others			

Permanent employees:	1984	1985	1986
	21	28	36

Temp. workers: Occasionnaly.

Average Nber of years in Cy: 3 years

Training needed: Technical on-the-job

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Miscellaneous metal products made-to-order or not (corn mills, farming implements).
BOSCH injectors repair.
Clientele: Very diversified.

Channels: Direct sales.

Sales policy: 30-days credit.

Competitors: MECELZA and SOMETOLE in Lubumbashi.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: CMS Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 15, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	13,786
Other:	
TOTAL:	13,786
EXPENSES:	
Raw materials:	4,898
Other goods & services:	1,198
Personnel:	1,649
Overhead:	?
Finance costs:	0
TOTAL:	?
GROSS MARGIN:	1,269
Deprec.& Provision:	-
NET INCOME:	1,269

	1984	1985	1986
Prod.(t.)			
Income.	5,580	10,324	13,786
Margin %	6.7	5.0	9.2
Invest. (from 1984 to 1986)			12,500

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	5,986
CURRENT ASSETS:	
Inventories:	
Receivables:	
Liquid assets:	2,348
TOTAL:	N/A
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	4,542
THIRD PARTIES LIABILITIES:	.
Long-term debts:	
Short-term debts:	
TOTAL:	N/A
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: The company has never asked for a bank loan.

Banks used: BDF.
Banking services refused (reasons): None asked.

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Working capital requested: 750

Required long-term financing:
Extension of building and machinery cost: 15,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COD Page 1 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: MENUISERIE CONCEPT DESIGN (S.P.R.L.) | Id. Nber: K 20538J

Address: 67, 13eme rue Limete, KINSHASA B.P. 12667 Phone: 77704

Shareholders: Cit. MUDINGA KABETA (66 %)
Cit. MBAYI KOMPANY (33 %)

Manager: Cit. Mudinga Kabeta	1st Oper: 1979	Creation: 1985
since: 1979	Sales 1986: 9.500,	Employees: 81

Activity: Woodworking, Interior decoration, Building.

PROVISIONING

Raw materials: Building materials
Wood and Plywood, Decoration items.

Sources: Local

Value of 1986 purchases: 612,
Delay (months): 15 days
Purchasing mode: 30-days credit.

Problems:

PRODUCTION

Process:

Age of machinery: 1979 to 1981 (second hand)
Installed capacity: N/A
Used capacity: N/A

Projects: Modernization of equipment and production installations.

Problems: Market demand cannot be served with existing capacity and space.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			67
Admin.			14
Sales			
Others			
			81

Permanent employees:	1984	1985	1986
	45	64	81

Temp. workers: No

Average Nber of years in Cy: 5 years

Training needed: Management, Decoration, Architecture.

Training org. used: No

Quality evaluation:

MARKETING AND SALES

Products: Furniture, Interior decoration, some construction.

Clientele: Large companies of Kinshasa

Channels: Direct sales

Sales policy: Downpayment on order.

Competitors: NEW-FORM, LAFLEUR, MODULE-Z, DECO-MEUBLES.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COD Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	15,131
Other:	-
TOTAL:	15,131
EXPENSES:	
Raw materials:	6,613
Other goods & services:	2,515
Personnel:	2,520
Overhead:	467
Finance costs:	686
TOTAL:	12,301
GROSS MARGIN:	2,830
Deprec.& Provision:	(1,279)
NET INCOME:	1,551

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %			
Invest.			

Books audited:

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	3,765
Vehicles:	995
Machinery:	985
TOTAL:	5,745
CURRENT ASSETS:	
Inventories:	7,265
Receivables:	1,151
Liquid assets:	1,879
TOTAL:	10,295
TOTAL ASSETS:	16,040
STOCKHOLDERS'EQUITY:	
Common stock:	1,500
Income retained:	2,015
TOTAL:	3,515
THIRD PARTIES LIABILITIES:	
Long-term debts:	1,643
Short-term debts:	10,882
TOTAL:	12,525
TOTAL LIABILITIES:	16,040

Liquidity ratio: 0.27

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:	(B)	

Comments: (A) Overdraft and short term loan.
(B) SOFIDE loan:1.650, z. at 30 % and 43.240 DTS at 15 % for new equipment and vehicle.

Banks used: BCZ, BCA, SOFIDE.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 850,

Required short-term financing:
500, z. at 20 %

Required long-term financing:
To start production with new equipment purchased with SOFIDE loan, the company needs an additional 38.000, z.

N.B: Zaires figures are in 1.000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COG Page 1 of 2 Date: May 18, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: COGETRA (Compagnie Generale de Transformation) SPRL	Id. Nber: D 447312
Address: 8, Ave. Shangungu, LUBUMBASHI B.P. 2635	Phone: 2192-2297

Shareholders: Mr. CHRYSOCHOOS Nicolas, Sole owner.

Manager: Mr. Nicolas CHRYSOCHOOS	1st Oper: -	Creation: 1980
since: 1980	Sales 1986: 24,000	Employees: 60

Activity: Air transport, Corn and cassava milling.

PROVISIONING

Raw materials: Corn and cassava.

Sources: Shaba (100 %).

Value of 1986 purchases: N/A
Delay (months): N/A
Purchasing mode: N/A

Problems: Unreliability of local supply of corn and cassava.

PRODUCTION

Process: Air freight transport as representative of KATALE

Age of machinery: Milling equipt recent
Installed capacity: N/A
Used capacity: N/A

Projects: Purchase of Ice-making plant.

Problems: None

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	4	65	69

Permanent employees:	1984	1985	1986
	59	59	69

Temp. workers: 10

Average Nber of years in Cy: 5 years.

Training needed: on-the-job.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Air freight transport (90 %)
Corn and cassava flour (10 %).

Clientele: N/A

Channels: Direct contacts.

Sales policy: Usually cash, 2-months credit for major and regular clients.

Competitors: Air Zaire.

Problems: None in particular.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COG Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 18, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	N
	O
Other:	T
TOTAL:	A
EXPENSES:	V
Raw materials:	A
Other goods & services:	I
Personnel:	L
Overhead:	A
Finance costs:	B
	L
TOTAL:	E
GROSS MARGIN:	
Deprec.& Provision:	
NET INCOME:	N/A

	1984	1985	1986
Prod.(t.)	4200	4500	5000
Income.	(air freight tonnage)		
Margin %	n/a	n/a	n/a
Invest.	n/a	n/a	n/a

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	10,000
Vehicles:	11,113
Machinery:	4,573
TOTAL:	25,686
CURRENT ASSETS:	
Inventories:	N
Receivables:	O
Liquid assets:	T
TOTAL:	
TOTAL ASSETS:	A
	V
STOCKHOLDERS'EQUITY:	A
Common stock:	I
Income retained:	L
	A
TOTAL:	B
	L
THIRD PARTIES LIABILITIES:	E
Long-term debts:	
Short-term debts:	
TOTAL:	
TOTAL LIABILITIES:	
Liquidity ratio: N/A	

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		

Comments: (A) Overdraft (amount not available)
(B) ± 2,000 on 3-months credit.

Banks used: UZB, BCZ.
Banking services refused (reasons): Does not ask financing other from overdraft.

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
None

Required long-term financing:
Medium-term financing for purchase of Ice-making plant (± $ 250,000).

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COK Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: COMPTOIR KINOIS (S.P.R.L.) | Id. Nber: C 94305H

Address: 4, Doruma, Zone Kalamu, KINSHASA B.P. 3128 Phone: 81827

Shareholders: Cit. Shemisi Betutwa (sole owner).

Manager: Cit. Shemisi Betutwa Ntaa	1st Oper: 1974	Creation: 1974
since: 1974	Sales 1986: 2.120,	Employees: 24

Activity: Building construction and river transportation.

PROVISIONING

Raw materials: Building materials, Shipschandling goods.

Sources: Local

Value of 1986 purchases: N/A
Delay (months):
Purchasing mode: Cash

Problems:

PRODUCTION

Process:

Age of machinery: N/A
Installed capacity: 300 tons boat.
Used capacity:

Projects: Purchase of new boat engine (cost: 40.000, z.)

Problems: Condition of equipment, lack of stability of building market.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			13
Admin.			4
Sales			-
Others			7
			24

Permanent employees.	1984	1985	1986
	17	21	24

Temp. workers: None

Average Nber of years in Cy: 13 years

Training needed: Accounting and Finance management.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products:

Clientele: Government admin. (building) MARSAVCO, ZAIRE-FINA.

Channels: Private contracts, Public tenders.

Sales policy: 50 % downpayment and cash on delivery (except Government contracts).

Competitors: Large and small building contractors (registered or not).

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COK Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	1,054
Other:	616
TOTAL:	2,120
EXPENSES:	
Raw materials:	645
Other goods & services:	197
Personnel:	222
Overhead:	35
Finance costs:	32
TOTAL:	1,131
GROSS MARGIN:	989
Deprec.& Provision:	(247)
NET INCOME:	742

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	31	28	35
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	227
Vehicles:	929
Machinery:	25,000
TOTAL:	26,156
CURRENT ASSETS:	
Inventories:	18
Receivables:	8,000
Liquid assets:	340
TOTAL:	8,358
TOTAL ASSETS:	34,514
STOCKHOLDERS'EQUITY:	
Common stock:	25,843
Income retained:	8,058
TOTAL:	33,901
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	613
TOTAL:	613
TOTAL LIABILITIES:	34,514

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Overdraft.

Banks used: Barclay's

Banking services refused (reasons): No reason provided, loan application rejected.

REQUIRED FINANCING

Needed monthly oper.cash:

Required short-term financing:

Required long-term financing: Purchase of new boat engine and spare parts for vehicles: 40.000, z. needed

N.B: Zaires figures are in 1,000 zaires.

Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COR Page 1 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: CORTHOZA (Cordonnerie Orthopedique du Zaire).	Id. Nber: D 557400
Address: 5797 Ave. Lufutu, Lemba, KINSHASA B.P. -	Phone: -
Shareholders: Cit. Bolombi Masaya (sole owner)	

Manager: Cit. Bolombi Masaya	1st Oper: 1957	Creation: 1977
since: 1977	Sales 1986: 972	Employees: 12

Activity: Manufacturing of orthopedic and medical shoes.

PROVISIONING

Raw materials: Leather.

Sources: Local : 90 %
Imports: 10 % (Belgium and Angola)

Value of 1986 purchases: 180

Delay (months):

Purchasing mode: Cash on delivery.

Problems:

PRODUCTION

Process: Hand-making.

Age of machinery: from 1975 to 1987.

Installed capacity: 6 to 8 a day.

Used capacity: 3 to 5 a day.

Projects: Manufacturing of prosthesis

Problems: Bad condition of equipment and lack of raw materials.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			10
Admin.			1
Sales			1
Others			

Permanent employees:	1984	1985	1986
	7	10	12

Temp. workers: None

Average Nber of years in Cy: 7 years

Training needed: Accounting.

Training org. used: OPEZ, CADICEC CEBELOR.

Quality evaluation: Average

MARKETING AND SALES

Products: Orthopedic shoes (62 %)
Shoe repair (48 %)

Clientele:

Channels: Direct sales to final custom.

Sales policy: 50 % down payment.

Competitors:

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: COR Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	972
Other:	70
TOTAL:	1,042
EXPENSES:	
Raw materials:	450
Other goods & services:	25
Personnel:	164
Overhead:	38
Finance costs:	-
TOTAL:	677
GROSS MARGIN:	365
Deprec.& Provision:	(28)
NET INCOME:	337

	1984	1985	1986
Prod.(pair Income.	96	120	156
Margin % Invest.	8	12	17

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	-
Machinery:	255
TOTAL:	255
CURRENT ASSETS:	
Inventories:	12
Receivables:	45
Liquid assets:	-
TOTAL:	57
TOTAL ASSETS:	312
STOCKHOLDERS'EQUITY:	
Common stock:	132
Income retained:	169
TOTAL:	301
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	11
TOTAL:	11
TOTAL LIABILITIES:	312

Liquidity ratio: -

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: No external financing from any source (bank or suppliers). Company works with owner's and owner parents' own funds.

Banks used: CPCL, CBZO (Credit Unions)
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 100

Required short-term financing:

Required long-term financing:
Long-term loan to purchase prosthesis manufacturing machine: US $ 69,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DIA Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 13, 1987

Name: DIANA (Ste Indust. Zairoise de Textiles) - SPRL | Id. Nber: C 21627

Address: 69, Ave. Industrielle, LUBUMBASHI B.P. 1698 Phone:

Shareholders: Mr. Robert COHEN, owner.

Manager: Mr. Robert COHEN	1st Oper: 1952	Creation: 1952
since: 1972	Sales 1986: 8,200	Employees: 31

Activity: Textile

PROVISIONING

Raw materials: Thread.

Sources: Used to be local, now RSA.

Value of 1986 purchases: 6,000
Delay (months): 3 to 5 months.
Purchasing mode: Import Licenses.

Problems: Lack of ready cash to open import licenses.

PRODUCTION

Process: Weaving. Cloth-making.

Age of machinery: Old but good state.
Installed capacity: N/A
Used capacity: 20 %

Projects: Manufacturing of cotton blankets and jute bags.

Problems: Under-utilization of equipt.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	3	27	30
Admin.	1		1
Sales			
Others			

Permanent employees:	1984	1985	1986
	57	45	31

Temp. workers: ± 13

Average Nber of years in Cy: 10 to 15

Training needed: Personnel has to be trained on-the-job.

Training org. used: None.

Quality evaluation:

MARKETING AND SALES

Products: Mainly towels, T-shirts and cotton underwear.

Clientele: SOLBENA (17 %), HASSON (17%) FAZ (14 %), SIMIS (10 %), Others (42%)

Channels: Wholesalers

Sales policy: 30-days credit.

Competitors: UTEXCO in Kinshasa FILTISAF in Kalemie (Shaba).

Problems: Important decrease of the consumers'purchasing power and unfair competition from illegaly imported products.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DIA Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 13, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	8,186
Other:	1,072
TOTAL:	9,258
EXPENSES:	
Raw materials:	5,973
Other goods & services: Personnel: Overhead:	2,695
Finance costs:	344
TOTAL:	9,012
GROSS MARGIN:	246
Deprec.& Provision:	123
NET INCOME:	123

	1984	1985	1986
Prod.(t.)			
Income.	1,877	7,236	8,186
Margin %	(97.0)	2.0	1.5
Invest. (Total 1984-1986)			32

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (book value not revalued)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	184
CURRENT ASSETS:	
Inventories:	3,420
Receivables:	1,734
Liquid assets:	2,338
TOTAL:	7,492
TOTAL ASSETS:	7,676
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	36
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	7,640
TOTAL:	7,640
TOTAL LIABILITIES:	7,676

Liquidity ratio: 0.53

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Open credit 500.

Banks used: BCZ.
Banking services refused (reasons):
Bank credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: ± 11,000

Required short-term financing:
Working capital B. Sheet: 2,000
requested : 6 to 8,000

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DIK Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: DISTRIBUTION KINOISE (Entreprise Individuelle) | Id. Nber: K 00474A

Address: 3558, Ave. Forgeron, Limete, KIN. B.P. 11456 Phone:

Shareholders: Cit. KINSIONA KIA KALIDA (sole owner).

Manager: Cit. Kinsiona Kia Kalida	1st Oper: 1978	Creation: 1978
since: 1974	Sales 1986: N/A	Employees: 8

Activity: Manufacturing of food products.

PROVISIONING

Raw materials: Food products

Sources: Local

Value of 1986 purchases: N/A
Delay (months):
Purchasing mode: Cash on reception

Problems:

PRODUCTION

Process:

Age of machinery: 1978
Installed capacity: N/A
Used capacity:

Projects: Purchase of new electric oven.

Problems: Machinery in bad condition (second-hand).

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			7
Admin.			
Sales			1
Others			
			8

Permanent employees:	1984	1985	1986
	12	10	8

Temp. workers: Occasionnaly

Average Nber of years in Cy: 2 years

Training needed: Technical training in bakery.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Bread (80 %) and cakes (20 %)

Clientele: Neighbourhood

Channels: Direct sales to public.

Sales policy: Cash sales.

Competitors: Large industrial bakeries.

Problems: More and more difficult to compete with companies like QUO VADIS with huge financial resources and access to flour.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DIK Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME
(1986)

REVENUE:
Sales:

Other:

TOTAL: N/A

EXPENSES:
Raw materials:
Other goods & services:
Personnel:
Overhead:
Finance costs:

TOTAL: N/A

GROSS MARGIN: N/A

Deprec.& Provision:

NET INCOME: N/A

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %			
Invest.			

Books audited:

BALANCE SHEET
(12/31/1986)

FIXED ASSETS: (depreciated book value)
Buildings:
Vehicles:
Machinery:

TOTAL: N/A

CURRENT ASSETS:
Inventories:
Receivables:
Liquid assets:

TOTAL: N/A

TOTAL ASSETS: N/A

STOCKHOLDERS'EQUITY:
Common stock:
Income retained:

TOTAL: N/A

THIRD PARTIES LIABILITIES:
Long-term debts:
Short-term debts:

TOTAL: N/A

TOTAL LIABILITIES: N/A
Liquidity ratio:

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:	None of any kind	
Clients:		
Others:		

Comments:

Banks used: BIAZ.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:

Required long-term financing:
Purchase of a new electric oven at a cost of 2.500, z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DOV Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: Ets. DOVELLE N'KANU - SPRL | Id. Nber: N/A

Address: 10, Ave. Kanda-Kanda, Kasa-Vubu, KIN B.P. 9308 | Phone: 69496

Shareholders: Cit. DOVELLE N'KANU (Sole owner)

Manager: Cit. Dovelle N'Kanu	1st Oper: 1974	Creation: 1974
since: 13 years	Sales 1986: 8.000,	Employees: 14

Activity: River transport and commerce.

PROVISIONING

Raw materials: all required equipt. to operate a river boat.

Sources: Local

Value of 1986 purchases: 348,
Delay (months): 15 days
Purchasing mode: Cash-on-order

Problems:

PRODUCTION

Process:

Age of machinery: 25 years
Installed capacity: 290 tons
Used capacity:

Projects: Rehabilitation of the boat (6.000,) and purchase of two trucks to transports goods to and from river (14.000,)
Problems: Boat almost at end of productive life.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales	6	8	14

Permanent employees:	1984	1985	1986
	24	11	14

Temp. workers: No

Average Nber of years in Cy: 9

Training needed: Management and Administration.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Transport and sale of locally produced (agricultural) produces.

Clientele: Kinshasa market (mostly breweries).

Channels: Direct sales and wholesalers.

Sales policy: Cash-on-delivery

Competitors: All transporters.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: DOV Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	4.061
Other:	3.467
TOTAL:	8.068
EXPENSES:	
Raw materials:	3.376
Other goods & services:	2.501
Personnel:	402
Overhead:	-
Finance costs:	37
TOTAL:	6.316
GROSS MARGIN:	1.752
Deprec.& Provision:	(105)
NET INCOME:	1.647

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %			
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS:	
Buildings:	787
Vehicles:	993
Machinery:	522
TOTAL:	2.302
CURRENT ASSETS:	
Inventories:	-
Receivables:	-
Liquid assets:	384
TOTAL:	384
TOTAL ASSETS:	2.686
STOCKHOLDERS'EQUITY:	
Common stock:	254
Income retained:	-
TOTAL:	254
THIRD PARTIES LIABILITIES:	
Long-term debts:	937
Short-term debts:	1.495
TOTAL:	2.432
TOTAL LIABILITIES:	2.686

Liquidity ratio: 0.25

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: Company operates entirely on owner's equity and sales revenues

Banks used: BCZ, NBK, COOPEC
Banking services refused (reasons): Lack of securities.

REQUIRED FINANCING

Needed monthly oper.cash: ± 10.000, (?)

Required short-term financing:

Required long-term financing:
Rehabilitation of the river boat and transport trucks: 20.000, z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

300

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ELI Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 19, 1987

Name: ELITEX (Societe des Derives Textiles) - SARL — Id. Nber: AO 3914E

Address: 26, Ave. Kigoma, LUBUMBASHI B.P. 2096 Phone: 2824-5253

Shareholders: Ste. TEXAF S.A.

Manager: Mr. J.P. DELEGLISE	1st Oper: N/A	Creation: 1953
since: 1987	Sales 1986: 70,000	Employees: 100

Activity: Manufacturing of metal furniture and spring mattresses.

PROVISIONING

Raw materials: Metal sheets & wires
Fabric

Sources: RSA (100 %)

Value of 1986 purchases: N/A
Delay (months): 5 to 7 months.
Purchasing mode: Import licences.

Problems: Shortage of foreign currency
Cost of cash lock-up, Heavy duties on imported raw materials.

PRODUCTION

Process: -

Age of machinery: > 10 years.
Installed capacity: N/A
Used capacity: Furniture (100 %)
Mattresses (5 %)
Projects: Manufacturing of foam sheets and foam mattresses.
Installation of new paint shop.
Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	10	90	100

Permanent employees:	1984	1985	1986
	74	83	100

Temp. workers: Occasionnaly.

Average Nber of years in Cy: 8 years.

Training needed: Technical training in welding, machine-tooling, etc..

Training org. used: INPP

Quality evaluation: Poor

MARKETING AND SALES

Products: Metal furniture for the office (75 %), Spring mattresses (25%)

Clientele: Gecamines (60 %), Government administrations (25 %), Others (15 %).

Channels: Direct sales and sales agents

Sales policy: 50 % on delivery for Gecamines'orders, cash on delivery for all others.

Competitors: FNMA in Kinshasa, Direct imports from RSA.

Problems: Competition from cheaper foam mattresses, Competition from similarly priced but higher quality imported furniture.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ELI Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 19, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	32,000
Other:	
TOTAL:	32,000
EXPENSES:	
Raw materials:	12,800
Other goods & services:	
Personnel:	12,200
Overhead:	6,850
Finance costs:	150
TOTAL:	32,000
GROSS MARGIN:	0
Deprec.& Provision:	
NET INCOME:	0

	1984	1985	1986
Prod.(t.)			
Income.	11,373	15,272	32,000
Margin %	5.0	n/a	0.0
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	1,500
CURRENT ASSETS:	
Inventories:	
Receivables:	
Liquid assets:	
TOTAL:	52,000
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	17
Income retained:	300
TOTAL:	317
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	
TOTAL:	N/A
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Open credit of 1,000 which has not been modified for the past 5 years. Rate is presently 34 %, or 41 % including admin. costs.

Banks used: BCZ, UZB, BDP, NBK.
Banking services refused (reasons): Banks credit ceiling (supposedly) reached.

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Working capital requested: 20,000

Required long-term financing:
Installation of a new modernized furniture paint shop: ± $ 28,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ENT Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: ENTRICO (Ent. Industrie, Commerce, Batiments, Trav.) | Id. Nber: K 03657

Address: 277, rue Libenge, Linguala, KINSHASA B.P. 58 Kin8 Phone: -

Shareholders: Cit. Kalala Mwana Ndibu (sole owner)

Manager: Cit. Kalala Mwana Ndibu	1st Oper: 1976	Creation: 1976
since: 1976	Sales 1986: 5,403	Employees: 20

Activity: Building contractor, Manufacturing of building mat., metal works.

PROVISIONING

Raw materials: Local construction materials.

Sources: 100 % local.

Value of 1986 purchases: N/A
Delay (months): 6 to 45 days.
Purchasing mode: Cash on order.

Problems:

PRODUCTION

Process:

Age of machinery: 1976 to 1983.
Installed capacity: 2000 m2
Used capacity: 900 m2

Projects: New equipment and opening of woodworking activity (10,500 z. needed).
Problems: Condition of the equipment and cost of receivables.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			

Permanent employees:	1984	1985	1986
	22	19	20

Temp. workers: 36 men-days a year.

Average Nber of years in Cy: 7 years

Training needed: Accounting, Admin. Heavy equipment handling.

Training org. used: OPEZ

Quality evaluation: Good

MARKETING AND SALES

Products: Buildings, Public Works, Heavy metal products for construction.

Clientele: Private (85 %), Government and Parastatals (15 %).

Channels: Public tender, closed tenders direct contacts.

Sales policy: Down-payment on order (receivables are now 6,537 z.)

Competitors: Large and small building contractors.

Problems: Receivables with Government.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ENT Page 2 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	5,403
Other:	-
TOTAL:	5,403
EXPENSES:	
Raw materials:	4,154
Other goods & services:	45
Personnel:	520
Overhead:	22
Finance costs:	62
TOTAL:	4,803
GROSS MARGIN:	600
Deprec.& Provision:	(201)
NET INCOME:	399

	1984	1985	1986
Prod.(z.)	7,361	13,078	7,552
Income. Margin %	15	6	7
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	145
Vehicles:	-
Machinery:	29
TOTAL:	174
CURRENT ASSETS:	
Inventories:	93
Receivables:	6,538
Liquid assets:	-
TOTAL:	6,631
TOTAL ASSETS:	6,805
STOCKHOLDERS'EQUITY:	
Common stock:	2,669
Income retained:	3,000
TOTAL:	5,669
THIRD PARTIES LIABILITIES:	
Long-term debts:	399
Short-term debts:	737
TOTAL:	1,136
TOTAL LIABILITIES:	6,805

Liquidity ratio: 0.12

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Loan of 60. at 40 % int.

Banks used: BCZ, UZB.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 400

Required short-term financing:
Short term loan (25 %): 400

Required long-term financing:
New equipment, spare parts and opening of woodwork require 12,700 z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (inventories + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ETA Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date:

Name: ZAIRE ETANCHEITE - SPRL — Id. Nber: A 05701X

Address: 69, 13eme rue Limete, KINSHASA B.P. 7823 Phone: 78091

Shareholders: Mr. Pierre DEKKERS (95%)
Mr. Albert THUELS (5%)

Manager: Cit. Mvukulu Mona Mbad	1st Oper: 1969	Creation: 1969
since: 1969	Sales 1986: 35.000,	Employees: 47

Activity: Manufacturing of building materials, Building contractor.

PROVISIONING

Raw materials: Synthetic rubber sheets Asphalted felt, Cement, Sand, etc..

Sources: Local and Imports (Belgium)
Value of 1986 purchases:
Local: 600, z.
Imports: FB. 300.000
Delay (months): 4 months for imports
Purchasing mode: Documentary credit Cash-on-order.
Problems: Lack of financing to purchase raw materials.

PRODUCTION

Process:

Age of machinery: 1986
Installed capacity: 50.000 m2
Used capacity: 16.000 m2

Projects: Purchase of new equipment to produce highly resistant water-proofing material.
Problems: High cost of imports (3.530.000 FB/year)

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales	7	40	47

Permanent employees:	1984	1985	1986
	36	43	47

Temp. workers: ± 2 /year

Average Nber of years in Cy: 5

Training needed: N/A

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Roof waterproofing (59%) Building materials (37%).

Clientele: Large companies located in all of zaire (AUXELTRA, SAFRICAS), Building contractors and private (KIN)
Channels: Sales force, direct sales.

Sales policy: Direct sales: cash on order, Construction: downpayment of 80%.

Competitors: SIGMA, SOLGERIC, ALLSTONE

Problems:

N.b: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ETA Page 2 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	N/A
Other:	
TOTAL:	N/A
EXPENSES:	
Raw materials:	
Other goods & services:	
Personnel:	
Overhead:	
Finance costs:	
TOTAL:	N/A
GROSS MARGIN:	N/A
Deprec.& Provision:	
NET INCOME:	N/A

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	1.0	7.0	9.0
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS:	
Buildings:	-
Vehicles:	900
Machinery:	800
TOTAL:	1.700
CURRENT ASSETS:	
Inventories:	5.400
Receivables:	5.000
Liquid assets:	2.010
TOTAL:	12.410
TOTAL ASSETS:	14.110
STOCKHOLDERS'EQUITY:	
Common stock:	100
Income retained:	2.410
TOTAL:	2.510
THIRD PARTIES LIABILITIES:	
Long-term debts:	6.000
Short-term debts:	5.600
TOTAL:	11.600
TOTAL LIABILITIES:	14.110

Liquidity ratio: 1.25

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Documentary Credit only

Banks used: Barclay's Bank
Banking services refused (reasons):
Lack of collateral for a loan.

REQUIRED FINANCING

Needed monthly oper.cash: ± 3.000,

Required short-term financing:
Import Licence financing: 12.000, z.

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

2/6

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: FRI Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

Name: FRIGO-MOERO - SPRL | Id. Nber: A 26186N

Address: 40, Route de Munama, LUBUMBASHI B.P. 1974 Phone: 2826-4256

Shareholders: Mr. S. MADJISTRATIS
Mr. M. MADJISTRATIS

Manager: Mr. Stavros MADJISTRATIS	1st Oper: 1968	Creation: 1982
since: 1968	Sales 1986: 162,000	Employees: 18

Activity: Fishing, Transport, Ice-making

PROVISIONING

Raw materials: Fishes (outside fishing season), Fishing nets, Fuel and Oil.

Sources: RSA (fishes), Hong-Kong (nets), Local (Fuel & Oil).

Value of 1986 purchases: N/A
Delay (months): N/A
Purchasing mode: Import Licences

Problems: Lack of cash and, when available, cost of cash lock-up for imports.

PRODUCTION

Process: Transport by truck (not refrigerated), Ice-Making.

Age of machinery: N/A
Installed capacity: N/A
Used capacity: ± 25 tons of fish/month.

Projects: -

Problems: Seasonality of the fishing activity and age of equipment.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	2	16	18

Permanent employees:	1984	1985	1986
	n/a	n/a	18

Temp. workers: Yes, during fishing season.
Average Nber of years in Cy: 12 years

Training needed: Technical training in new fishing methods (on-the-job).

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Fresh fishes (1st semester), Imported fishes (2nd semester), Ice.

Clientele: Gecamines (50 %), SNEL, SNCZ, Others.

Channels: Direct sales.

Sales policy: 6-days credit except for Gecamines (45-days credit).

Competitors: Ets. KATEBE KATOTO.

Problems: Systematic sharing of GCM market, even if more competitive.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: FRI Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	13,500
Other:	
TOTAL:	13,500
EXPENSES:	
Raw materials:	
Other goods & services:	
Personnel:	
Overhead:	
Finance costs:	
TOTAL:	12,701
GROSS MARGIN:	799
Deprec.& Provision:	530
NET INCOME:	269

	1984	1985	1986
Prod.(t.)			
Income.	7,600	10,100	13,500
Margin %	1.1	1.7	2.0
Invest. (total 1984 - 1986)			1,500

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	1,831
Vehicles:	285
Machinery (+ Others: 63)	1,418
TOTAL:	3,544
CURRENT ASSETS:	
Inventories:	1,435
Receivables:	432
Liquid assets:	7,891
TOTAL:	9,848
TOTAL ASSETS:	13,392
STOCKHOLDERS'EQUITY:	
Common stock:	300
Income retained:	640
TOTAL:	940
THIRD PARTIES LIABILITIES:	
Long-term debts:	425
Short-term debts:	12,027
TOTAL:	12,452
TOTAL LIABILITIES:	13,392

Liquidity ratio: 0.70

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	X	
Suppliers:		
Clients:	X	
Others:		

Comments: No details available on external financing.

Banks used: BCZ, UZB, NBK, BDP (checks

Banking services refused (reasons): Banks said no funds for credit were available.

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,000

Required short-term financing:
Working capital B. Sheet : 1,000
requested: 60,000 (?)

Required long-term financing:
Purchase of boat engine and transport equipment: ± 20,000 of which 16,000 to be financed by loan.
- Two 7-tons trucks: 9,000
- Two boat engines: 5,000
- Fishing nets: 2,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: IMP Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 13, 1987

Name: IMPAZA (Imprimerie et Papeterie Zairoises) - SPRL | Id. Nber: AO 4053F

Address: 352, Ave. Pdt. Mobutu, LUBUMBASHI B.P. 228 Phone: 3566

Shareholders: Cit. KANDOLO Omoyi
Famille KANDOLO
Cit. MBANGULA

Manager: Mr. GEURTS Antoine Directeur Technique since: 1985	1st Oper: 1928	Creation: 1967
	Sales 1986: 48,200	Employees: 122

Activity: Printing

PROVISIONING

Raw materials: Paper, Ink

Sources: Gecamines and SNCZ for their own orders, Europe for the rest of the work.
Value of 1986 purchases: 3,200
Delay (months): 3 to 5 months
Purchasing mode: Import licences.

Problems: Cash lock-up due to BZ regulations concerning import licences and delivery delays.

PRODUCTION

Process: Typography and Offset printing

Age of machinery: From very old to new
Installed capacity: N/A
Used capacity: 35 %

Projects: Doubling of the photo-composition equipment for safety.

Problems: Lack of spare parts and accessories for typographical equipment.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			104
Admin.			13
Sales			5
TOTAL	16	106	122

Permanent employees:	1984	1985	1986
	107	125	122

Temp. workers: ± 10

Average Nber of years in Cy: 15 years

Training needed: Technical training on Offset equipment.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Administrative forms (65 %), Computer listings (30 %), Books (5 %)

Clientele: SNCZ (40 %), Gecamines (31%) SNEL (16 %), Brasimba (4 %), Others (9 %).
Channels: Direct sales.

Sales policy: 3-months credit for major clients only. Otherwise cash on order.

Competitors: INATRAP in Lubumbashi.

Problems: Cost of receivables (SNCZ).

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: IMP Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 13, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	48,176
Other:	
TOTAL:	48,176
EXPENSES:	
Raw materials:	3,225
Other goods & services:	10,827
Personnel:	12,907
Overhead:	4,895
Finance costs:	12,247
TOTAL:	44,131
GROSS MARGIN:	4,045
Deprec.& Provision:	5,438
NET INCOME:	(1,393)

	1984	1985	1986
Prod.(t.)			
Income.	25,165	36,741	48,176
Margin %			(2.9)
Invest.	-	33,503	-

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (not revalued)	
Buildings:	16,560
Vehicles:	1,220
Machinery (+ Others: 1,297)	29,892
TOTAL:	47,672
CURRENT ASSETS:	
Inventories:	21,452
Receivables:	20,685
Liquid assets:	1,493
TOTAL:	43,630
TOTAL ASSETS:	91,302
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	50,924
THIRD PARTIES LIABILITIES:	
Long-term debts:	16,788
Short-term debts:	23,590
TOTAL:	40,378
TOTAL LIABILITIES:	91,302

Liquidity ratio: 0.94

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:	(C)	
Others:		(D)

Comments: (A) Open credit BCZ: 500 (B) 30-days credit (C) GCM & SNCZ with supplies provided (D) SOFIDE financing for investments in 1985 670,000 DTS, 10 years, 22 %, Zaire linked to DTS.

Banks used: BCZ, BDP, UZB, NBK.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 5,500

Required short-term financing:

Required long-term financing:
SOFIDE debt restructuring since linkage of Zaire to DTS increased value from 16,493 in 1985 to 40,378 in 1986.
Purchase of spare parts: ± 3 millions Belgian Francs, Doubling of photo-composition equipt: ± 2.5 millions BF

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: INA Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 21, 1987

Name: INATRAP - SPRL — Id. Nber: D 10482K

Address: 70, Ave. Moero, LUBUMBASHI — B.P. 1648 — Phone: 2946-3172

Shareholders: Cit. TSHILOMBO Mwin Tshitol (100 %)

Manager: Cit. ILUNGA wa Ilunga Directeur Technique since: 1979	1st Oper: N/A	Creation: 1976
	Sales 1986: 33,100	Employees: 110

Activity: Printing.

PROVISIONING

Raw materials: Paper, Inks.

Sources: Imports.

Value of 1986 purchases: 10,300
Delay (months): 3 to 5 months.
Purchasing mode: Import licences.

Problems: Cash lock-up for imports.

PRODUCTION

Process: Typographical and Offset printing.

Age of machinery: Old
Installed capacity: N/A
Used capacity: N/A

Projects: Purchase of new printing equipment (computerized).

Problems: Age and condition of the equipment.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			98
Admin.			6
Sales			6
TOTAL	17	93	110

Permanent employees:	1984	1985	1986
	112	139	110

Temp. workers: No

Average Nber of years in Cy: 5 years.

Training needed: Technical training on printing equipment used.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Newspapers (40 %), Computer listings (40 %), Others (20 %).

Clientele: Information Ministry (25 %), Gecamines (7 %), Others in L'shi & Kinshasa (68 %).

Channels: Direct sales and use of sales agents.

Sales policy: 30-days credit to major clients who have an account.

Competitors: IMPAZA in Lubumbashi.

Problems: Production and delivery delays due to age of equipment and out of stock.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: INA Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 21, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	
Other:	
TOTAL:	33,093
EXPENSES:	
Raw materials:	10,314
Other goods & services:	3,028
Personnel:	7,811
Overhead:	648
Finance costs:	1,356
TOTAL:	23,157
GROSS MARGIN:	9,936
Deprec.& Provision:	1,785
NET INCOME:	8,151

	1984	1985	1986
Prod.(t.)			
Income.	30,389	32,696	33,093
Margin %	0.5	6.7	24.6
Invest. (total 1984-1986)			1,352

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	1,174
Vehicles:	613
Machinery:	3,125
TOTAL:	4,912
CURRENT ASSETS:	
Inventories:	7,253
Receivables:	12,236
Liquid assets:	236
TOTAL:	19,725
TOTAL ASSETS:	24,637
Common stock:	
Income retained:	
Long-term debts:	
TOTAL:	10,514
Short-term debts:	14,123
TOTAL LIABILITIES:	24,637

Liquidity ratio: 0.88

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) BCZ overdraft of 2,500 and BDP overdraft of 200.

Banks used: BCZ, BDP.
Banking services refused (reasons): N/A

REQUIRED FINANCING

Needed monthly oper.cash: ± 3,000

Required short-term financing:

Required long-term financing:
Long or Medium-term loan to purchase new equipment. Cost estimates between $ 250,000 and $ 500,000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: INC Page 1 of 2 Date: May 16, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: INCOMETAL - SPRL | Id. Nber: AO 4194J

Address: 33, Ave. Kibati, LUBUMBASHI B.P. 2568 Phone: 2838-3214

Shareholders: Mr. D. MANTZOURANIS (50 %)
Mr. V. MANTZOURANIS (50 %)

Manager: Mr. Dimitrios MANTZOURANIS	1st Oper: 1965	Creation: 1965
since: 1965	Sales 1986: 15,000	Employees: 16

Activity: Metal working and manufacturing of metal products (industrial).

PROVISIONING

Raw materials: Wires, Metal sheets.

Sources: RSA (100 %)

Value of 1986 purchases: N/A
Delay (months): N/A
Purchasing mode: Import licenses.

Problems: Lack of foreign exchange to import enough raw materials.

PRODUCTION

Process: Mechanical process.

Age of machinery: 1973
Installed capacity: N/A
Used capacity: 25 %

Projects: Manufacturing of tubes, and galvanized metal products.

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales TOTAL	1	15	16

Permanent employees:	1984	1985	1986
	n/a	n/a	n/a

Temp. workers: Occasionnaly.

Average Nber of years in Cy: 8 years

Training needed: No

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Nails (54 %), Buckets (40 %) Mesh and barbed-wire (6 %).

Clientele: Gecamines (13 %) Wholesalers in Shaba (87 %).

Channels: Direct sales with Gecamines and wholesalers.

Sales policy: 30-days credit (Gecamines takes 60 to 90-days).

Competitors: Products from Kinshasa.

Problems: Competition from Kinshasa's products favored by lower CIF value (Matadi) and lower import taxes.
-Difficulty to evaluate cost of goods sold and correct sales price due to rapid monetary depreciation.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: INC Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	
Other:	
TOTAL:	
EXPENSES:	
Raw materials:	
Other goods & services:	
Personnel:	
Overhead:	
Finance costs:	
TOTAL:	
GROSS MARGIN:	N/A
Deprec.& Provision:	
NET INCOME:	N/A

NOTAVAILABLE

	1984	1985	1986
Prod.(t.)			
Income.	(not available)		
Margin %			
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	41
CURRENT ASSETS:	
Inventories:	1,066
Receivables:	413
Liquid assets:	2,704
TOTAL:	4,183
TOTAL ASSETS:	4,224
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	345
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	3,879
TOTAL:	3,879
TOTAL LIABILITIES:	4,224

Liquidity ratio: 0.80

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: No information available.

Banks used: BCZ, UZB.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:

Required long-term financing:
Long-term loan to purchase equipment for manufacturing of new products (tubes, wire mesh for mines)
Cost: ± $ 300,000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: KED Page 1 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: KEDAR (Entreprise Individuelle) — Id. Nber: 31025 A

Address: 674, Ave. Tombalbaye, Gombe, KIN. B.P. 8921 Phone:

Shareholders: Cit. KUTELAMA KIBONGE (sole owner)

Manager: Cit. Kutelama Kibonge	1st Oper: 1983	Creation: 1983
since:	Sales 1986: 2.981,	Employees: 18

Activity: Manufacturing of shoes and leather goods.

PROVISIONING

Raw materials: Leather

Sources: Local

Value of 1986 purchases:
Delay (months): 15 days.
Purchasing mode: Cash.

Problems: Difficulties to find regular supply of raw material at affordable price.

PRODUCTION

Process: Products are hand-made.

Age of machinery:
Installed capacity: 30 pairs a month
Used capacity: 25 pairs

Projects: Purchase of additional floor space.

Problems: Hand tools are old.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			12
Admin.			6
Sales			
Others			

Permanent employees:	1984	1985	1986
	8	12	18

Temp. workers: No

Average Nber of years in Cy: 3 years

Training needed: Technical training in leather work, Accounting.

Training org. used: OPEZ, CADICEC.

Quality evaluation: Satisfactory.

MARKETING AND SALES

Products: Shoes, Belts, School-satchels Repair of all leather products.

Clientele: Kinshasa market.

Channels: Direct sales to public.

Sales policy: Downpayment on order, cash on delivery.

Competitors: CARLTON, RODRIGUEZ, GAZELLE, MISTER-MINUTE.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: KED Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	2,994
Other:	23
TOTAL:	3,017
EXPENSES:	
Raw materials:	1,890
Other goods & services:	-
Personnel:	750
Overhead:	105
Finance costs:	-
TOTAL:	2,745
GROSS MARGIN:	272
Deprec.& Provision:	(30)
NET INCOME:	242

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	10	5	4
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	-
Machinery:	142
TOTAL:	142
CURRENT ASSETS:	
Inventories:	95
Receivables:	36
Liquid assets:	101
TOTAL:	232
TOTAL ASSETS:	374
STOCKHOLDERS'EQUITY:	
Common stock:	212
Income retained:	121
TOTAL:	333
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	41
TOTAL:	41
TOTAL LIABILITIES:	374

Liquidity ratio: 3.34

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: No external financing, company functions entirely on ploughback and owner'own funds.

Banks used: BCZ
Banking services refused (reasons): Not interested.

REQUIRED FINANCING

Needed monthly oper.cash: ± 231, z.

Required short-term financing:

Required long-term financing:
Purchase of new equipment: 3.732, z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LAG Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: LANGI - SHABA (S.P.R.L.) | Id. Nber: C72782N

Address: 1185, Ave. Salongo, KOLWEZI B.P. 1069 Phone: 2485

Shareholders:

Manager: Mr. Abraham PINHAS	1st Oper: 1957	Creation: 1975
since: 1981	Sales 1986: 7,929	Employees: 19

Activity: Manufacturing of paints and varnishes.

PROVISIONING

Raw materials: Chalk, Diluant, Copal Resins, Pigments, Varnishes.

Sources: Local: 60 %
Import: 40 %

Value of 1986 purchases: N/A
Delay (months): 5
Purchasing mode: Documentary credit and cash on order.
Problems:

PRODUCTION

Process: N/A

Age of machinery: 1956
Installed capacity: 1,000 tons/year
Used capacity: 10 %

Projects: Purchase of new equipment for 1,000 z., purchase of spare parts, purchase of new vehicle (4,500 z.)
Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			12
Admin.			2
Sales			1
Others			4
			19

Permanent employees:	1984	1985	1986

Temp. workers. None

Average Nber of years in Cy: 7 years

Training needed: Inventory managt. Accounting.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Water paint (50 %), Oil paint (33 %), Others (17 %).

Clientele: Gecamines (90 %), Merchants in Kasai and Shaba (10 %).

Channels: see above.

Sales policy: 60-days credit to GCM, and cash for the others.

Competitors: PENAZA (Kinshasa, L'shi)

Problems: 40 % decrease in sales in 1986.

N.b: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LAS Page 2 of 2 Date: June 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	7.928
Other:	5
TOTAL:	7,933
EXPENSES:	
Raw materials:	5.056
Other goods & services:	675
Personnel:	1,087
Overhead:	671
Finance costs:	200
TOTAL:	7,689
GROSS MARGIN:	244
Deprec.& Provision:	-
NET INCOME:	244

	1984	1985	1986
Prod.(t.)	65	55	90
Income.			
Margin %			
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	174
Machinery:	90
TOTAL:	264
CURRENT ASSETS:	
Inventories:	2,229
Receivables:	2,378
Liquid assets:	12
TOTAL:	4,619
TOTAL ASSETS:	4,883
STOCKHOLDERS'EQUITY:	
Common stock:	1,050
Income retained:	188
TOTAL:	1,238
THIRD PARTIES LIABILITIES:	
Long-term debts:	18
Short-term debts:	3,627
TOTAL:	3,645
TOTAL LIABILITIES:	4,883

Liquidity ratio: 1.27

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Overdraft.

Banks used: BCZ

Banking services refused (reasons):
Bank credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: ± 4,000

Required short-term financing:
Import Licences ± $ 200.000/year

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LAZ Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: LANGI - ZAIRE (S.P.R.L.) | Id. Nber: C 72783P

Address: 990, Ave. Plaine, Limete, KINSHASA B.P. 8598 Phone: 77604

Shareholders: EGOCOLOR, PROMIMPEX, Entreprises Reunies, E.C.I.

Manager: Mr. Abraham PINHAS	1st Oper: 1956	Creation: 1975
since: 1976	Sales 1986: 47,554	Employees: 64

Activity: Manufacturing of paints and related chemical products.

PROVISIONING

Raw materials: Varnishes, Diluant (local)
Resins, Acrylic, pigments (imported)
Sources:

Value of 1986 purchases: 5,765
Delay (months): 4
Purchasing mode: Documentary credit and cash on order.
Problems:

PRODUCTION

Process: N/A

Age of machinery: From 1956 to 1979
Installed capacity: 1,000 tons/year
Used capacity: 35 %

Projects: Special paints for car bodies

Problems: Age and condition of the equipment, lack of spare parts.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales Others			128

Permanent employees:	1984	1985	1986
	128	128	128

Temp. workers: None

Average Nber of years in Cy: 10 years

Training needed: Quality control, Inventory management, Accounting.

Training org. used: INPP

Quality evaluation: Fair

MARKETING AND SALES

Products: Water and Oil paints, Putty Varnishes.

Clientele: Building contractors and merchants.

Channels: Wholesalers and direct sales to the public.

Sales policy: Cash on order and exceptionnally 45 days credit with good customers.

Competitors:

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LAZ Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	47,554
Other:	240
TOTAL:	47,794
EXPENSES:	
Raw materials:	35,457
Other goods & services:	2,462
Personnel:	7,465
Overhead:	1,640
Finance costs:	3
TOTAL:	47,027
GROSS MARGIN:	767
Deprec.& Provision:	(204)
NET INCOME:	563

	1984	1985	1986
Prod.(t.)	560	568	672
Income.			
Margin %			
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	524
Vehicles:	633
Machinery:	673
TOTAL:	1,830
CURRENT ASSETS:	
Inventories:	7,880
Receivables:	15,136
Liquid assets:	2,956
TOTAL:	25,972
TOTAL ASSETS:	27,802
STOCKHOLDERS'EQUITY:	
Common stock:	17,971
Income retained:	5
TOTAL:	17,976
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	9,826
TOTAL:	9,826
TOTAL LIABILITIES:	27,802

Liquidity ratio: 2.64

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:	(B)	

Comments: (A) 1,600 short term loan at 36% plus admin. costs
(B) BDEGL:141743 DTS at 12% a year.

Banks used: BCZ, BDP, UZB, BDEGL
Banking services refused (reasons):
Credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: ± 8,000

Required short-term financing:

Required long-term financing:
Improvement of existing machinery for a total of z. 23,568 (BDEGL loan plus company's cash).

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LCL Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

Name: L.C.L. (Laiterie Cooperative de Lubumbashi) - COOP.	Id. Nber: AO 4172K
Address: 16, Ave. Kato, LUBUMBASHI B.P. 211	Phone: 3114

Shareholders: 7 private individuals (farmers) regrouped in Cooperative.

Manager: Dr. YUMA President of the Cooperative since: 3 years	1st Oper: -	Creation: 1960
	Sales 1986: 25,000	Employees: 29

Activity: Production of milk and associated products (cream, yoghurts).

PROVISIONING

Raw materials: Fresh farm milk.

Sources: 5 local farms (± 1000 cows)

Value of 1986 purchases: N/A
Delay (months): none (daily collection
Purchasing mode: 30-days credit to supplying farmers (incl. members).
Problems: Scarcity of supply
Project: Finance purchase of cows to small local farmers.

PRODUCTION

Process: Milk pasteurization and bottling.

Age of machinery: ± 25 years.
Installed capacity: 2,000,000 l/year
Used capacity: 600,000 l/year
(theoretical capacity is 6,000,000 l/y)
Projects: Complete rehabilitation of milk plant (German aid project), Production of powdered milk, of non-returnable containers, Cold storage.
Problems: Equipment and milk collection vehicles in terrible condition.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			13
Admin.			8
Sales			5
Others			3

Permanent employees:	1984	1985	1986
	29	29	29

Temp. workers: No

Average Nber of years in Cy: 14 years

Training needed: Technical training on new german equipment.
Training of a quality-control employ.
Training org. used: None (German aid project will provide technician for training)
Quality evaluation:

MARKETING AND SALES

Products: Germ-free milk (95 %),
Butter (4 %),
Cream and Yoghurts (1 %).

Clientele: Gecamines (50 %),
Local retailers (50 %)
Some direct sale to public.
Channels: Direct sales to Gecamines and public, food-shops.

Sales policy: cash (30-days credit for large and regular customers).

Competitors: DAIPN (Ferme Presidentielle) in Kisanga.

Problems: Seasonality of fresh-milk supply (November to April: 65 %) and lack of cold-storage facility.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: LCL Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	
Other:	
TOTAL:	24,941
EXPENSES:	
Raw materials:	
Other goods & services:	
Personnel:	
Overhead:	
Finance costs:	
TOTAL:	N/A
GROSS MARGIN:	N/A
Deprec.& Provision:	
NET INCOME:	N/A

	1984	1985	1986
Prod.(l.)	627 000	635 000	600 000
Income.	17,700	18,900	24,900
Margin %	< 0	< 0	< 0
Invest.	0	0	2,009

Books audited: Yes (local CA)

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	34,571
Vehicles:	294
Machinery:	1,344
TOTAL:	36,209
CURRENT ASSETS:	
Inventories:	1,609
Receivables:	3,297
Liquid assets:	1,698
TOTAL:	6,604
TOTAL ASSETS:	42,813
STOCKHOLDERS'EQUITY:	
Common stock:	50
Income retained:	35,638
TOTAL:	35,688
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	7,125
TOTAL:	7,125
TOTAL LIABILITIES:	42,813

Liquidity ratio: 0.70

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		(C)

Comments: (A) Authorized but unused overdraft of 275
(B) 30-days credit supplied by own members (farmers),
(C) Rehabilitation of equipment financed by German assistance program (DM 1,400,000 = $ 700,000)

Banks used: BCZ
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 4,000

Required short-term financing:
Working capital B. Sheet: 1,000
requested : 15,000
(of which 7,500 to purchase returnables milk bottles).

Required long-term financing:
-To purchase milk collection truck (3,000),
-To install cold storage facility (project study available) (1,500)
-To finance purchase of milk cows on behalf of small local farmers (1,500)
-To finance equipment to produce high quality cattle feed (1,500).

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MAR Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 19, 1987

Name: Entreprise MARUCCHI G. - SPRL — Id. Nber: C 35344U

Address: 2, Ave. des Orangers, LIKASI. B.P. 537 Phone: 370

Shareholders: Mr. MARUCCHI Chierro Giuseppe.

Manager: Mr. G. MARUCCHI	1st Oper: 1948	Creation: 1948
since: 1948	Sales 1986: 7,500	Employees: 112

Activity: Sawmill, Carpentry, Construction.

PROVISIONING

Raw materials: Wood and construction marerials.

Sources: Local (100 %), most of the wood is coming from Kasai.

Value of 1986 purchases: N/A
Delay (months): N/A
Purchasing mode: Cash on order or on delivery.
Problems: Transport of the wood from the Kasai.

PRODUCTION

Process: -

Age of machinery: Very old.
Installed capacity: N/A
Used capacity: 15 %

Projects: Manufacture and export of industrial palettes to Italy (Fiat).

Problems: Complete rehabilitation of sawmill necessary to produce constant quality required for export.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	5	105	110
Admin.	2		2
Sales			
Others			

Permanent employees:	1984	1985	1986
	112	112	112

Temp. workers: No

Average Nber of years in Cy: 20 years

Training needed: Technical

Training org. used: Gecamines' technical schools.

Quality evaluation: Average and deteriorating.

MARKETING AND SALES

Products: General construction (68 %) Sawmill and carpentry (32 %).

Clientele: Gecamines (35 %), PIHA (15 % SNCZ (12 %), Others (38 %).

Channels: Direct sales, Wholesalers, Retailers.

Sales policy: Cash or 30-days credit.

Competitors: SAER and Nouvelle ATB in Likasi.

Problems: Payment delays by Gecamines, SNCZ, SNEL.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MAR Page 2 of 2 Date: May 19, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

STATEMENT OF INCOME
(1985)

REVENUE:	
Sales:	
Other:	
TOTAL:	7,500
EXPENSES:	
Raw materials:	3,820
Other goods & services:	
Personnel:	1,670
Overhead:	
Finance costs:	180
TOTAL:	5,670
GROSS MARGIN:	1,830
Deprec.& Provision:	-
NET INCOME:	1,830

	1984	1985	1986
Prod.(t.)			
Income.	5,500	6,300	7,500
Margin %	18.0	15.0	20.0
Invest.			

Books audited: No

BALANCE SHEET
(12/31/1986)

FIXED ASSETS: (replacement value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	40,000
CURRENT ASSETS:	
Inventories:	N
Receivables:	O
Liquid assets:	T
TOTAL:	A
TOTAL ASSETS:	V
STOCKHOLDERS'EQUITY:	A
Common stock:	I
Income retained:	L
TOTAL:	A
	B
	L
	E
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	
TOTAL:	
TOTAL LIABILITIES:	

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) 6-months loan (34 % plus administrative costs.

Banks used:
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Working capital requested: 1,000

Required long-term financing:
Equipment rehabilitation and purchase of a new saw: 7,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MAZ Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: MAZAM'L (Entreprise Individuelle) | Id. Nber: D 54893U

Address: 148/160 Ave. Kimbondo, Z/Bandal, KIN.B.P. 18707 Phone:

Shareholders: Cit. Mavua Ndontoni Diana (sole owner)

Manager: Cit. Mavua Ndontoni	1st Oper: 1969	Creation: 1969
since: 1969	Sales 1986: 7,000	Employees: 50

Activity: Metal working.

PROVISIONING

Raw materials: Metal products

Sources: 100 % local

Value of 1986 purchases: 600
Delay (months): None
Purchasing mode: Cash on delivery.

Problems: Lack of funds to purchase raw materials.

PRODUCTION

Process: Sawing, welding, assembling.

Age of machinery: from 15 to 1 year old
Installed capacity:
Used capacity: 35 %

Projects: Manufacturing of sectional steel (equipment needed costs F.B. 3.900.000)
Problems: Lack of space, condition of machinery, lack of raw materials.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			

Permanent employees:	1984	1985	1986
	26	31	53

Temp. workers:

Average Nber of years in Cy: 10 years

Training needed: Technical training.

Training org. used: OPEZ, CADICEC

Quality evaluation: Fair.

MARKETING AND SALES

Products: Window and door frames, car and truck bodies.

Clientele:

Channels: Direct to customers.

Sales policy: Down payment on order whose percentage varies with customer.

Competitors: MOBIMETAL and CHANIMETAL in Kinshasa.

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MAZ Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	6,500
Other:	500
TOTAL:	7,000
EXPENSES:	
Raw materials:	4,950
Other goods & services:	350
Personnel:	850
Overhead:	15
Finance costs:	5
TOTAL:	6,170
GROSS MARGIN:	830
Deprec.& Provision:	(125)
NET INCOME:	705

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	5.0	10.0	20.0
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	-
Machinery:	1,150
TOTAL:	1,150
CURRENT ASSETS:	
Inventories:	230
Receivables:	140
Liquid assets:	475
TOTAL:	845
TOTAL ASSETS:	1,995
STOCKHOLDERS'EQUITY:	
Common stock:	190
Income retained:	120
TOTAL:	310
THIRD PARTIES LIABILITIES:	
Long-term debts:	1,025
Short-term debts:	660
TOTAL:	1,685
TOTAL LIABILITIES:	1,995

Liquidity ratio: 0.93

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: Use banks only for checking facilities. Loans refused.

Banks used: UZB, NBK, Barclay's.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± 600

Required short-term financing:

Required long-term financing:
Purchase of a sectional steel manufacturing machine for F.B. 3.900.000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MEN Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: Menuiserie Ebenisteries DIAWA (Ent. Individuelle)	Id. Nber: C 02589R
Address: 75, Ave. Dibaya, Z/Kasa-Vubu, KIN. B.P.	Phone:

Shareholders: Cit. Diawa Nguanda Nkuaya (sole owner).

Manager: Cit. Diawa Nguanda	1st Oper: N/A	Creation: 1953
since: 1983	Sales 1986: 1.600	Employees: 15

Activity: Carpentry, Wood-working, Sawmill.

PROVISIONING

Raw materials: Wood and Plywood.

Sources: Local

Value of 1986 purchases: 200,
Delay (months): 1 month
Purchasing mode: Cash on order.

Problems:

PRODUCTION

Process:

Age of machinery: From 30 to 10 years.
Installed capacity: 50 m3
Used capacity: 40 m3

Projects: Equipment for standardized mass production.

Problems: Equipment obsolete and in bad condition, lack of financial resource to purchase enough raw materials.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales Others			N/A

Permanent employees:	1984	1985	1986

Temp. workers: None

Average Nber of years in Cy: 5 years

Training needed: Woodworking and Accounting.

Training org. used: OPEZ

Quality evaluation: Good

MARKETING AND SALES

Products: Furniture, doors, plywood objects.

Clientele: Kinshasa

Channels: Direct sales.

Sales policy: Cash on delivery, usually downpayment required.

Competitors: Other woodworkers in Kin.

Problems:

N.B: Zaire figures are in 1.000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MEN Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:
Sales:

Other:

TOTAL: N/A

EXPENSES:
Raw materials:
Other goods & services:
Personnel:
Overhead:
Finance costs:

TOTAL: N/A

GROSS MARGIN: N/A

Deprec.& Provision:

NET INCOME: N/A

	1984	1985	1986
Prod.(z.)	809,	1.184,	1.600,
Income.			
Margin %			
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)
Buildings:
Vehicles:
Machinery:

TOTAL: N/A

CURRENT ASSETS:
Inventories:
Receivables:
Liquid assets:

TOTAL: N/A

TOTAL ASSETS: N/A

STOCKHOLDERS'EQUITY:
Common stock:
Income retained:

TOTAL: N/A

THIRD PARTIES LIABILITIES:
Long-term debts:
Short-term debts:

TOTAL: N/A

TOTAL LIABILITIES: N/A
Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Loan on inventory collateral.

Banks used: BDP
Banking services refused (reasons): Lack of security.

REQUIRED FINANCING

Needed monthly oper.cash: ± 1.000,

Required short-term financing:
New equipment: SwF 102.000

Required long-term financing:
New equipment: SwF 170.000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MET Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: METALU (S.P.R.L.) — Id. Nber: A 08658L

Address: 1861, Ave. Gal. Bobozo, Kingabwa KINSHASA B.P. 16343 Phone:

Shareholders: Mr. A. CURIMBHOY (24 %), Mr. DERNELLE (52 %), Cit. BAMBULE (24%)

Manager: Mr. Dernelle	1st Oper: 1971	Creation: 1971
since:	Sales 1986: 45.298,	Employees: 82

Activity: Manufacturing of household appliances, aluminium doors and windows

PROVISIONING

Raw materials: Aluminium

Sources: Imports (Europe and Brazil)

Value of 1986 purchases:
Delay (months): 3 to 5 months
Purchasing mode: Documentary credit.

Problems: Lack of foreign exchange to purchase enough raw material.

PRODUCTION

Process: Aluminium stamping, lathering cutting, assembling.

Age of machinery: 1971
Installed capacity: 20 tons
Used capacity: 7 tons

Projects: New range of aluminium household products (higher quality).

Problems: Age and condition of equip. (pots and pans are lathered rather than stamped).

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			

Permanent employees:	1984	1985	1986
	75	83	93

Temp. workers: No

Average Nber of years in Cy: 15 years

Training needed: Quotation calculation

Training org. used: INPP

Quality evaluation: Poor

MARKETING AND SALES

Products: Aluminium pots and pans, Aluminium door and window frames and on-site installation.

Clientele: Building contractors and wholesalers. Biggest customers are SCIBE, PLZ, NOGUEIRA, SIMIS, MAPENDO.
Channels: Wholesalers for household ustensils, individuals and contractors for aluminium frames.
Sales policy: Cash on order

Competitors: SOZALU, ALUKIVU

Problems: Competition of imported products.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: MET Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	45,293
Other:	44,933
TOTAL:	90,226
EXPENSES:	
Raw materials:	68,544
Other goods & services:	-
Personnel:	6,700
Overhead.	10,219
Finance costs:	3,434
TOTAL:	88,897
GROSS MARGIN:	1,329
Deprec.& Provision:	(1,005)
NET INCOME:	324

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	3	1	1
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	13,439
Vehicles:	1,182
Machinery:	3,716
TOTAL:	18,337
CURRENT ASSETS:	
Inventories:	44,564
Receivables:	7,247
Liquid assets:	4,206
TOTAL:	56,017
TOTAL ASSETS:	74,354
STOCKHOLDERS'EQUITY:	
Common stock:	24,000
Income retained:	782
TOTAL:	24,782
THIRD PARTIES LIABILITIES:	
Long-term debts:	12,392
Short-term debts:	37,180
TOTAL:	49,572
TOTAL LIABILITIES:	74,354

Liquidity ratio: 0.30

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:	(B)	

Comments: (A) Short-term loan
(B) Part of the short term financing available and all of the long term are borrowed from the company's owners.

Banks used: BGIZ
Banking services refused (reasons): bank credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Access to foreign exchange.

Required long-term financing:
Purchase of a stamping press for a total of ± 6.000, z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: NGO Page 1 of 2 Date: May 26, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: Maison NGOIE MUTELE - Private individual. | Id. Nber: KO 6626M

Address: 161, Ave. Victimes Rebellion, L'SHI B.P. | Phone:

Shareholders: Cit. NGOIE MUTELE INSHILAY, sole owner.

Manager: Cit. NGOIE MUTELE	1st Oper:	Creation: 1967
since: 1967	Sales 1986: 7,000	Employees: 55

Activity: Carpentry and cabinet making.

PROVISIONING

Raw materials: Wood
Fabric for sofas.

Sources: Local (100 %)

Value of 1986 purchases: 5,900
Delay (months): 1 to 2 months
Purchasing mode: 45-days credit.

Problems: Unreliability of local wood supply.

PRODUCTION

Process: -

Age of machinery: Old
Installed capacity: N/A
Used capacity: 20 %

Projects: Improvement of production building, purchase of new tools.

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	14	41	55

Permanent employees:	1984	1985	1986
	55	55	55

Temp. workers: No

Average Nber of years in Cy: 15 years

Training needed: Technical training of workers.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Wood furniture (60 %)
Coffins (20 %)
Miscellaneous wood products (20 %).

Clientele: SNCZ (coffins), Gecamines (tool handles), Individuals (furniture

Channels: Direct sales, Expo. shop on production premises.

Sales policy: Credit: deposit (variable with size of order and client) plus three monthly payments.

Competitors: PIHA in Lubumbashi.

Problems: Not enough resources to do an adequate marketing of the company and its products.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: NGO Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 25, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	7,075
Other:	
TOTAL:	7,075
EXPENSES:	
Raw materials:	5,872
Other goods & services:	
Personnel:	546
Overhead:	
Finance costs:	492
TOTAL:	6,910
GROSS MARGIN:	165
Deprec.& Provision:	
NET INCOME:	165

	1984	1985	1986
Prod.(t.)			
Income.	(not available)		
Margin %			
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	590
TOTAL:	N/A
CURRENT ASSETS:	
Inventories:	1,360
Receivables:	6,150
Liquid assets:	102
TOTAL:	7,612
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	7,449
THIRD PARTIES LIABILITIES:	
Long-term debts:	n/a
Short-term debts:	1,500
TOTAL:	N/A
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		

Comments: (A) BCZ loan in February 1987: 2,500 (details not available)
(B) 45-days suppliers'credit: 4,000

Banks used: BCZ, NBK, BDP.
Banking services refused (reasons): N/A

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,000

Required short-term financing:
Working capital requested: 5,000

Required long-term financing:
- Purchase of new machines and tools 7,500
- Improvement and extension of product. building: 2,000

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ROS Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 18, 1987

Name: ROSIER (Anciens Etablissements) - SPRL | Id. Nber: AO 4556A

Address: 66, Ave. Industrielle, LUBUMBASHI B.P. 1616 Phone: 3552

Shareholders: Cit. RWAKABUBA SHINGA

Manager: Cit. NYAMUNCENZERA Nyanja Directeur since: n/a	1st Oper: 1947	Creation: 1976
	Sales 1986: 12,300	Employees: 52

Activity: Industrial ready-made garments manufacturing, Transport.

PROVISIONING

Raw materials: Fabric.

Sources: Imports, Gecamines'supply for its own orders.

Value of 1986 purchases: 5,700
Delay (months):
Purchasing mode: Cash on delivery.

Problems: No credit for purchase of raw materials.

PRODUCTION

Process: Ready-made manufacturing, Transport of agricultural products.
Age of machinery: Old
Installed capacity: N/A
Used capacity: 40 %

Projects: Extension of transport activity.

Problems: Manufacturing equipment should be renovated.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	1	48	49
Admin.	3		3
Sales			
Others			

Permanent employees:	1984	1985	1986
	52	52	52

Temp. workers: No

Average Nber of years in Cy: 12 years

Training needed: No

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Work clothes, Transport.

Clientele: For garments: Gecamines (50% SNCZ, BRASIMBA (15 %).
For transports: Gecamines-Developpe--ment (35 %).

Channels: Direct sales.
Sales policy: cash, except for Gecamines (90-days credit).

Competitors: UTEXCO, SOFATEX in Kinshasa, TRICOZA, COBROZA and KASIMEX in Lubumbashi.

Problems: Major clients pay with long delays.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: ROS Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 18, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales: Garments	7,914
Transport	4,330
Other:	
TOTAL:	12,274
EXPENSES:	
Raw materials:	5,713
Other goods & services:	1,414
Personnel:	2,041
Overhead:	333
Finance costs:	166
TOTAL:	9,667
GROSS MARGIN:	2,607
Deprec.& Provision:	2,161
NET INCOME:	446

	1984	1985	1986
Prod.(t.)			
Income.	6,765	6,770	12,274
Margin %	2.8	3.8	3.6
Invest. (from 1984 to 1986)			10,064

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	8,250
CURRENT ASSETS:	
Inventories:	5,397
Receivables:	3,242
Liquid assets:	n/a
TOTAL:	N/A
TOTAL ASSETS:	N/A
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	N/A
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	2,687
TOTAL:	2,687
TOTAL LIABILITIES:	N/A

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Authorized overdraft of 500.

Banks used: BCZ, BDP.
Banking services refused (reasons): N/A

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,200

Required short-term financing: N/A

Required long-term financing:
Purchase of new equipment and spare parts: up to 70 % on long term loan (required amount not available).

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAB Page 1 of 2 Date: May 18, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: SABUNI Limited - SPRL — Id. Nber: A 046149

Address: 18, Ave. Mahenge, LUBUMBASHI B.P. 56 Phone: 3881-5146

Shareholders: Mr. LENGEMA DULIA
FRANCO Family
Mrs. Eugenie GALANTE

Manager: Mr. PRAHLAD PARBHU Directeur General since: 24 years	1st Oper:	Creation: 1963
	Sales 1986: 172,000	Employees: 129

Activity: Soap making.

PROVISIONING

Raw materials: Palm oil, Salt, Brine and miscellaneous.

Sources: Local for palm oil (Kasai), imports from RSA for the rest.

Value of 1986 purchases: 133,000
Delay (months): N/A
Purchasing mode: cash (Max 30-days).

Problems: Palm oil supply irregular and insufficient.

PRODUCTION

Process: Chemical process.

Age of machinery: In good condition.
Installed capacity: 19,000 t/year.
Used capacity: 23 %

Projects: Production of glycerine, modernization of the machinery.

Problems: Theft of finished product.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production Admin. Sales TOTAL	18	111	129

Permanent employees:	1984	1985	1986
	125	130	129

Temp. workers: No

Average Nber of years in Cy: 16 years

Training needed: On-the-job taken care of by the company.

Training org. used: None.

Quality evaluation:

MARKETING AND SALES

Products: Washing-soap (98 %) and toilet-soap (2 %).

Clientele: ± 100 customers in the whole of Shaba, among which 16 large companies for their own shops (fringe ben.)
Channels: Wholesalers and retailers.

Sales policy: Cash (Max. 30-days).

Competitors: AMATO in Lubumbashi, MARSAVCO and SORGERI in Kinshasa.

Problems: Decrease of purchasing power of consumers, even for essential items like soap.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAB Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 18, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	172,331
Other:	3,171
TOTAL:	175,502
EXPENSES:	
Raw materials:	132,768
Other goods & services:	7,297
Personnel:	21,402
Overhead:	6,849
Finance costs:	-
TOTAL:	168,316
GROSS MARGIN:	7,186
Deprec.& Provision:	1,111
NET INCOME:	6,075

	1984	1985	1986
Prod.(t.)			
Income.	83,236	123,755	172,331
Margin %	1.2	2.7	3.5
Invest.	716	461	717

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (book value not revalued)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	8,077
CURRENT ASSETS:	
Inventories:	34,271
Receivables:	34,124
Liquid assets:	11,677
TOTAL:	80,072
TOTAL ASSETS:	88,149
STOCKHOLDERS'EQUITY:	
Common stock:	47,108
Income retained:	8,009
TOTAL:	55,117
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	33,032
TOTAL:	33,032
TOTAL LIABILITIES:	88,149

Liquidity ratio: 1.38

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Open credit and overdraft.

Banks used: BCZ, BDP, UZB, NBK.
Banking services refused (reasons): No service requested.

REQUIRED FINANCING

Needed monthly oper.cash: ± 21,000

Required short-term financing:

Required long-term financing:
Medium-term loan to purchase:
- Electrical boiler (50 000)
- Oil trucks and tanks (25,000)

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAF Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

Name: SAFEM (Societe Africaine de Tubes & Emballages) SPRL | Id. Nber: AO 4571T

Address: 7, Ave. Usoke, LUBUMBASHI B.P. 2700 Phone: 3848

Shareholders: Mr. Guy SAELS
Cit. NKUNKU Fatetwe

Manager: Mr. Guy SAELS	1st Oper: 1958	Creation: 1958
since: 29 years	Sales 1986: 33,000	Employees: 67

Activity: Manufacturing of paper and carboard products.

PROVISIONING

Raw materials: Rolls of paper.

Sources: RSA, Europe, some local
Gecamines usually provide raw material for manufacture of explosive tubes.
Value of 1986 purchases: 21,000
Delay (months): 3 to 5 months.
Purchasing mode: Import licenses.

Problems: Lack of ready cash for import and cost of capital lock-up due to delivery delay.

PRODUCTION

Process: Mechanical process.

Age of machinery: Old but good condit.
Installed capacity: 1500 t/year
Used capacity: 30 %

Projects: -

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	1	52	53
Admin.	1	13	14
Sales			
Others			

Permanent employees:	1984	1985	1986
	67	67	67

Temp. workers: Occasionnaly.

Average Nber of years in Cy: 10 years

Training needed: No

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: School notebooks, Wrapping paper. eggs carboard packages, carboard boxes, carboard tubes for explosives, paper bags.
Clientele: Gecamines (21 %), RENAPI (19 %), Others (60 %).

Channels: Direct sales to Gecamines and printing shops, Wholesalers.

Sales policy: Cash (except Gecamines and SNCZ).

Competitors: N/A

Problems: Unfair competition from imported products which are taxed at 5 % against 10 % for the raw material imported by SAFEM.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAF Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 16, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	33,001
Other:	284
TOTAL:	33,285
EXPENSES:	
Raw materials:	21,299
Other goods & services:	2,131
Personnel:	6,502
Overhead:	2,548
Finance costs:	121
TOTAL:	32,601
GROSS MARGIN:	684
Deprec.& Provision:	205
NET INCOME:	479

	1984	1985	1986
Prod.(t.)			
Income.	18,100	17,900	33,000
Margin %	1.3	1.0	1.5
Invest.	1,000	1,000	1,151

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	25
Vehicles:	125
Machinery (+ Others: 620):	4,509
TOTAL:	4,659
CURRENT ASSETS:	
Inventories:	4,898
Receivables:	8,790
Liquid assets:	2,897
TOTAL:	16,585
TOTAL ASSETS:	21,244
STOCKHOLDERS'EQUITY:	
Common stock:	154
Income retained:	884
TOTAL:	1,038
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	20,206
TOTAL:	20,206
TOTAL LIABILITIES:	21,244

Liquidity ratio: 0.58

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	X	
Suppliers:		
Clients:		
Others:		

Comments: No details available

Banks used: BCZ, UZB, BDP.
Banking services refused (reasons):
Bank of Zaire credit regulations

REQUIRED FINANCING

Needed monthly oper.cash: ± 4,000

Required short-term financing:
Working capital B. Sheet: 4,000
requested: N/A (for production of school notebook which are produced all year round and sold from June to September).

Required long-term financing: N/A

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAV Page 1 of 2 Date: May 14, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

Name: SAVA et MILLER - Private. | Id. Nber: K 20751Q

Address: 588, Ave. Mahenge, LUBUMBASHI B.P. Phone: 3840

Shareholders: Mr. Louis MILLER

Manager: Mr. Louis MILLER	1st Oper: N/A	Creation: 1971
since: 1971	Sales 1986: 9,000	Employees: 25

Activity: Fancy-leather work.

PROVISIONING

Raw materials: Leatherette

Sources: RSA and Italy, either directly or through local importers (RAPHAELLY, POPOROS).
Value of 1986 purchases: 6,700
Delay (months): N/A
Purchasing mode: Import licences or cash.
Problems: Shortage of foreign currency and cost of cash lock-up. Unreliability and cost of local supply.

PRODUCTION

Process: Hand tooling

Age of machinery: Old but good condit.
Installed capacity: N/A
Used capacity: 15 %

Projects: -

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	1	22	23

Permanent employees:	1984	1985	1986
	34	26	23

Temp. workers: No

Average Nber of years in Cy: 10 years

Training needed: N/A

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Imitation-leather travel bags (50 %), School satchels (50 %).

Clientele: Wholesalers (in all of Zaire).

Channels: Direct sales to wholesalers.

Sales policy: 30-days credit.

Competitors: N/A

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SAV Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	8,953
Other:	1,076
TOTAL:	10,029
EXPENSES:	
Raw materials:	6,728
Other goods & services:	
Personnel:	2,313
Overhead:	
Finance costs:	798
TOTAL:	9,839
GROSS MARGIN:	190
Deprec.& Provision:	72
NET INCOME:	118

	1984	1985	1986
Prod. (...)			
Income	8,033	8,487	8,953
Margin %	4.2	1.5	1.3
Invest.	0	0	0

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	129
Vehicles:	266
Machinery:	157
TOTAL:	552
CURRENT ASSETS:	
Inventories:	2,653
Receivables:	781
Liquid assets:	300
TOTAL:	3,734
TOTAL ASSETS:	4,286
STOCKHOLDERS'EQUITY:	
Common stock:	687
Income retained:	292
TOTAL:	979
THIRD PARTIES LIABILITIES:	
Long-term debts:	
Short-term debts:	3,307
TOTAL:	3,307
TOTAL LIABILITIES:	4,286

Liquidity ratio: 0.33

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Cash advances.

Banks used: BCZ
Banking services refused (reasons):
Bank credit ceiling reached.

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,200

Required short-term financing:
Working capital B. Sheet: 2,000
requested: 20,000 (?)

Required long-term financing: N/A

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SIR Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

Name: S.I.R. (Societe des Industries Reunies) - SPRL	Id. Nber: KO 24010
Address: 27, Ave. Usoke, LUBUMBASHI B.P. 180	Phone: 2185

Shareholders: Cit. YABILI Yalala Asani
Cne. YABILI Sungu Neru (spouse)

Manager: Cne. YABILI Sungu Neru	1st Oper: 1974	Creation: 1974
since: 1982	Sales 1986: 9,200	Employees: 20

Activity: Manufacturing of leather and rubber work shoes.

PROVISIONING

Raw materials: Leather, Reactives for rubber processing, Rubber.

Sources: Imported leather (Colombia via Belgium) and reactives.
Local rubber.
Value of 1986 purchases: 5,600
Delay (months): 10 months.
Purchasing mode: Import licences.

Problems: Lack of foreign exchange for imports, cost of cash lock-up.

PRODUCTION

Process: -

Age of machinery: Fairly recent.
Installed capacity: 100 000 pairs/year
Used capacity: 15 %

Projects: Manufacturing of plastic boots and shoes, Tannery, Tyre retrading.
Problems: Training of personnel.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	1	16	17
Admin.	1	-	1
Sales		2	2
Others			

Permanent employees:	1984	1985	1986
	23	22	20

Temp. workers: 9

Average Nber of years in Cy: 5 years

Training needed: Technical training of workers and quality control.

Training org. used: Project with "Centre Technique du Cuir" (France) and CDI (EEC).
Quality evaluation: Project has yet to start.

MARKETING AND SALES

Products: Leather work shoes (90 %)
CTC boots (5 %), Glass cuttings (5 %)

Clientele: Gecamines (20 %), SODIMIZA (15 %), SNCZ (10 %), ONATRA (10 %), Other companies (45 %).
Channels: Direct sales (80 %), Agence in Kinshasa (15 %), Sales reps. (15 %)

Sales policy: 30 to 90-days credit on delivery.

Competitors: BATA in Kinshasa.

Problems: Cost of customers'credit.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SIR Page 2 of 2 Date: May 14, 1987
COOPERS & LYBRAND	COMPANY PROFILE	

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	9,168
Other:	975
TOTAL:	10,143
EXPENSES:	
Raw materials:	5,619
Other goods & services:	2,253
Personnel:	602
Overhead:	145
Finance costs:	551
TOTAL:	9,170
GROSS MARGIN:	973
Deprec.& Provision:	884
NET INCOME:	89

	1984	1985	1986
Prod.(t.)			
Income.	5,163	7,713	9,168
Margin %	3.7	17.3	1.0
Invest.	2,910	278	1,859

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	
Vehicles:	
Machinery:	
TOTAL:	4,569
CURRENT ASSETS:	
Inventories:	5,921
Receivables:	1,957
Liquid assets:	456
TOTAL:	8,334
TOTAL ASSETS:	12,903
STOCKHOLDERS'EQUITY:	
Common stock:	3,000
Income retained:	334
TOTAL:	3,334
THIRD PARTIES LIABILITIES:	
Long-term debts:	1,284
Short-term debts:	8,285
TOTAL:	9,569
TOTAL LIABILITIES:	12,903

Liquidity ratio: 0.29

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:	(C)	

Comments: (A) Open cashier's credit of 1,000 (6 months, 42 %) renewable
(B) 60-days credit by local suppliers
(C) Partners' loan of 6,000.

Banks used: BCZ
Banking services refused (reasons):
Bank of Zaire credit ceiling.

REQUIRED FINANCING

Needed monthly oper.cash: ± 1,100

Required short-term financing:
Working capital B. Sheet: 4,000
requested: 18,000
Invoice discounting to free cash.

Required long-term financing:
- Tannery: ± $ 200,000
- Tyre retrading: ± $ 150,000
- Manufacture of plastic boots and shoes: ± $ 400,000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SOM Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

Name: SOMETOLE (Societe de Mecanique et de Tolerie) - SPRL | Id. Nber: AO 4716B

Address: 5, Ave. Mahenge, LUBUMBASHI B.P. 2698 Phone: 2773-4485

Shareholders: CHANIC - Bruxelles (60 %)
Private Zairian individuals (40 %).

Manager: Mr. Robert COUSSY	1st Oper: 1949	Creation: 1949
since: 1984	Sales 1986: 56,000	Employees: 72

Activity: Metal working.

PROVISIONING

Raw materials: Sheet-metal, rails

Sources: RSA (100 %).

Value of 1986 purchases: 29,000
Delay (months): 4 months.
Purchasing mode: Import licences.

Problems: Lack of cash for import of enough raw materials.

PRODUCTION

Process: Mechanical

Age of machinery: Fairly recent.
Installed capacity: ± 1200 t/year
Used capacity: ± 300 t/year

Projects:

Problems: Shortage of qualified and experienced foremen.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production	9	35	44
Admin.	5	4	9
Sales			
Others		19	19

Permanent employees:	1984	1985	1986
	55	64	72

Temp. workers: No

Average Nber of years in Cy: 25 years

Training needed: Metal working.

Training org. used: Not any more.

Quality evaluation: Existing organizations totally inefficient.

MARKETING AND SALES

Products: Miscellaneous (heavy) metal products, corrugated iron, stamped metal products, metal frames, etc...

Clientele: Gecamines (50 %), TABAZAIRE (10 %), AFRIDEX (10 %), BENAGLIO (10%)

Channels: Direct contacts and contract bidding procedure.

Sales policy: 50 % cash-on-order, remaining cash-on-delivery.

Competitors: MECELZA in Lubumbashi.

Problems: Payment delays by Gecamines.

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SOM Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 14, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	56,544
Other:	
TOTAL:	56,544
EXPENSES:	
Raw materials:	29,053
Other goods & services:	5,028
Personnel:	15,170
Overhead:	3,626
Finance costs:	130
TOTAL:	53,007
GROSS MARGIN:	3,537
Deprec.& Provision:	382
NET INCOME:	3,155

	1984	1985	1986
Prod.(t.)	200	329	n/a
Income.	17,600	28,000	56,500
Margin %	3.2	3.5	2.8
Invest.	500	700	800

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	-
Vehicles:	655
Machinery:	855
TOTAL:	1,510
CURRENT ASSETS:	
Inventories:	10,590
Receivables:	3,447
Liquid assets:	4,549
TOTAL:	18,586
TOTAL ASSETS:	20,096
STOCKHOLDERS'EQUITY:	
Common stock:	30
Income retained:	2,212
TOTAL:	2,242
THIRD PARTIES LIABILITIES:	
Long-term debts:	2,581
Short-term debts:	15,274
TOTAL:	17,854
TOTAL LIABILITIES:	20,096

Liquidity ratio: 0.52

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	9,100 (B)	
Clients:	1,300 (B)	
Others:	1,300 (B)	

Comments: (A) Open credit of 9,000 (36 %, 6 months) in 1987 to import raw materials (cost: ± 2,500)
(B) re: Balance Sheet 1986.

Banks used: BCZ.
Banking services refused (reasons): Bank of Zaire credit regulations.

REQUIRED FINANCING

Needed monthly oper.cash: ± 6,600

Required short-term financing:
Working capital B. Sheet: 30,000
requested: 50,000
Availability of foreign exchange at a better rate (6 months credit, risk of change covered)

Required long-term financing:
The company has a project to build and equip a railroad wagons repair yard but technical and financial evaluation not yet prepared (required amounts not determined).

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SON Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: SONPEK (S.P.R.L.) — Id. Nber: C 15573E

Address: 1370, Ave. St. Christophe, Limete, B.P. 6181 KINSHASA — Phone: 78005

Shareholders: Mr. Lelo TANGI
Mr. Sadi TANGI

Manager: Mr. Nensala TANGI	1st Oper: 1971	Creation: 1970
since: 1970	Sales 1986: 87.000,	Employees: 37

Activity: Industrial production of paints and chemicals.

PROVISIONING

Raw materials: Chalk, Resins, Pigments etc..

Sources: Local and Imports
Value of 1986 purchases:
Local: 1.800,
Import: 600,
Delay (months): 3 months.
Purchasing mode: Documentary credit and cash on order for local products
Problems:

PRODUCTION

Process: Crushing, Mixing..

Age of machinery: From 1971 to 1885
Installed capacity: 3.600 tons
Used capacity: 1.000 tons

Projects:

Problems: Market decrease, lack of foreign exchange for imports of raw materials and parts.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			33
Admin.			2
Sales			2
Others			-
			37

Permanent employees:	1984	1985	1986
	48	54	37

Temp. workers: No

Average Nber of years in Cy: 7 years

Training needed:

Training org. used:

Quality evaluation:

MARKETING AND SALES

Products: Paints (98 %), Glue (1 %) varnishes (1 %).

Clientele: Customers of Kinshasa, but mainly ONATRA and CHANIMETAL (rust proof paints).
Channels: Private contracts and closed tenders.

Sales policy: 30-days credit to best customers, otherwise cash on order.

Competitors:

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SON Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	87,000
Other:	-
TOTAL:	87,000
EXPENSES:	
Raw materials:	40,000
Other goods & services:	4,000
Personnel:	12,000
Overhead:	8,000
Finance costs:	180
TOTAL:	64,180
GROSS MARGIN:	22,820
Deprec.& Provision:	(190)
NET INCOME:	22,630

	1984	1985	1986
Prod.(t.)	1.115	1.077	816
Income. Margin %	13	12	13
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	140
Vehicles:	540
Machinery:	1,614
TOTAL:	2,294
CURRENT ASSETS:	
Inventories:	24,464 (?)
Receivables:	2,900
Liquid assets:	332
TOTAL:	27,696
TOTAL ASSETS:	29,990
STOCKHOLDERS'EQUITY:	
Common stock:	
Income retained:	
TOTAL:	N/A
THIRD PARTIES LIABILITIES:	
Long-term debt :	295
Short-term debts:	2,531
TOTAL:	2,826
TOTAL LIABILITIES:	N/A

Liquidity ratio: 1.27

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		

Comments: (A) Overdraft
(B) Foreign suppliers'credit.

Banks used: UZB, BCZ.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:
Foreign exchange needed to purchase enough raw materials to produce at reasonable capacity: $ 250.000

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SOZ Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: SOZABAT (S.P.R.L.) — Id. Nber: A 22090L

Address: 76, Bd. Lumumba, Masina, KINSHASA B.P. 10397 Phone: 77210

Shareholders: Chloride Group PLC (99 %)
Cit. Tshibangu (1%)

Manager: Mr. B. VAN DEN DRIESSCHE	1st Oper: 1973	Creation: 1976
since: 1986	Sales 1986: 48,000	Employees: 67

Activity: Manufacturing of car batteries.

PROVISIONING

Raw materials: Corkdust, Sodium, Lead oxyde, Sulfuric acid, Epoxy glue...

Sources: Mostly local (Lead ± 300 t/y)
Value of 1986 purchases:
Local : 1.500 z.
Import: FB 3.000.000
Delay (months): 3 months
Purchasing mode: Documentary credit.

Problems: Lack of raw materials (plant had to close during 3 months in 1986)

PRODUCTION

Process:

Age of machinery:
Installed capacity: 40000 to 70000 bat.
Used capacity: 18000 batteries

Projects: Lead recycling oven, Lead oxyde manufacturing, Polypropylene batteries (cost 60.000, z.)
Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			49
Admin.			10
Sales			1
Others			7
			67

Permanent employees:	1984	1985	1986
	66	76	67

Temp. workers: Occasionnaly.

Average Nber of years in Cy: N/A

Training needed: English language for supervisors.

Training org. used: English Language Center.

Quality evaluation: Satisfactory.

MARKETING AND SALES

Products: Car and truck batteries, Acid.

Clientele: All of Zaire, mainly PIREZA, PIESAUTO, MOTUKA, COMINCA, and various distributors.
Channels: Wholesalers.

Sales policy: 30-days credit.

Competitors: Importers (only plant of this type in Zaire).

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SOZ Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	45,000
Other:	3,000
TOTAL:	48,000
EXPENSES:	
Raw materials:	32,000
Other goods & services:	5,000
Personnel:	10,000
Overhead:	2,700
Finance costs:	500
TOTAL:	50,200
GROSS MARGIN:	(2,200)
Deprec.& Provision:	(1,500)
NET INCOME:	(3,700)

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %			
Invest.			

Books audited: Yes

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	10,000
Vehicles:	1,500
Machinery:	5,700
TOTAL:	17,200
CURRENT ASSETS:	
Inventories:	13,000
Receivables:	6,000
Liquid assets:	6,000
TOTAL:	25,000
TOTAL ASSETS:	42,200
STOCKHOLDERS' EQUITY:	
Common stock:	5,700
Income retained:	2,000
TOTAL:	7,700
THIRD PARTIES LIABILITIES:	
Long-term debts:	1,400
Short-term debts:	33,100
TOTAL:	34,500
TOTAL LIABILITIES:	42,200

Liquidity ratio: 0.36

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:		
Others:		

Comments: (A) Overdraft, Documentary credit, Short-term loan, Invoice discounting.
Financial costs : 1.200, z./year.

Banks used: BDP, BCA, UZB, BCZ, BGIZ.
Banking services refused (reasons): Bank of Zaire credit limitations.

REQUIRED FINANCING

Needed monthly oper.cash: ± 12.500,

Required short-term financing:
Banking loan: 2.000, at 35 %
IBRD loan : 10.500, at 35 %

Required long-term financing:
Improvement of existing equipment and purchase of mini-smelter for a total of 60.000, z.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SNM Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: SOCIETE NATIONALE DE LA MAIN D'OEUVRE (S.P.R.L.) | Id. Nber: C 51571R

Address: 93, rue Luvua, KINSHASA B.P. 201 Phone:

Shareholders: Cit. TSHIMBUKA and his children (40 %)

Manager: Cit. Tshimbuka Dumi Buba	1st Oper: 1960	Creation: 1969
since: 1960	Sales 1986: 3.150,	Employees: 100

Activity: Salary administration for private companies.

PROVISIONING

Raw materials: Office supplies.

Sources: Local

Value of 1986 purchases: 50,
Delay (months):
Purchasing mode: Cash payment

Problems:

PRODUCTION

Process: Service bureau

Age of machinery: 1985 (computer)
Installed capacity:
Used capacity:

Projects: Owner wishes to diversify into Commerce and Agriculture.

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			
	10	90	100

Permanent employees:	1984	1985	1986

Temp. workers:

Average Nber of years in Cy: 22 years

Training needed: General administr. and labour code.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Establishment of salary checks and administrative documents for client companies, counseling in personnel management.

Clientele:

Channels: Small and medium enterprises.

Sales policy: Payment on invoicing

Competitors:

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: SNM Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	3,158
Other:	-
TOTAL:	3,158
EXPENSES:	
Raw materials:	81
Other goods & services:	35
Personnel	680
Overhead:	480
Finance costs:	31
TOTAL:	1,307
GROSS MARGIN:	1,851
Deprec.& Provision:	(89)
NET INCOME:	1,762

	1984	1985	1986
Prod.(t.)			
Income.			
Margin %	43	55	41
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	577
Vehicles:	208
Machinery:	186
TOTAL:	971
CURRENT ASSETS:	
Inventories:	19
Receivables:	180
Liquid assets:	50
TOTAL:	249
TOTAL ASSETS:	1,220
STOCKHOLDERS'EQUITY:	
Common stock:	1,064
Income retained:	14
TOTAL:	1,078
THIRD PARTIES LIABILITIES:	
Long-term debts:	-
Short-term debts:	142
TOTAL:	142
TOTAL LIABILITIES:	1,220

Liquidity ratio: 1.61

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:		
Clients:	(B)	
Others:		

Comments: (A) BCZ loan: 50, z.
(B) Clients pay 50 % in advance.

Banks used: BCZ, NBK, BDP, UZB, CADEZA
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: N/A

Required short-term financing:

Required long-term financing:
Owner wishes to borrow 50.000, to start agricultural and ranching activities.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: TAN Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: TANGI et Freres/ MOUSSE (S.P.R.L.) | Id. Nber: AO 4754S

Address: 159, 9eme rue, Limete, KINSHASA B.P. 6181 Phone: 77361

Shareholders: Mr. Lelo Tangi
Mr. Sadi Tangi

Manager: Mr. Nenala TANGI	1st Oper: 1978	Creation: 1978
since:	Sales 1986: 26.000,	Employees: 72

Activity: Plastic and foam products, Mattresses.

PROVISIONING

Raw materials: Polyale (62 %), TDI (30 %)

Sources: Imports (Fed. Rep. of Germany and Belgium).

Value of 1986 purchases: 1.200,
Delay (months): 1 to 3 months
Purchasing mode: Documentary credit

Problems: Lack of foreign exchange to import raw materials and spare parts

PRODUCTION

Process: Mass production (Foam 85 %) (Mattresses 15 %).

Age of machinery: From 1977 to 1985.
Installed capacity: 330 tons
Used capacity: 50 tons.

Projects:

Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			

Permanent employees:	1984	1985	1986
	29	62	72

Temp. workers: None

Average Nber of years in Cy: 5 years

Training needed: Accounting and basic administration.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Foam mattresses and other sheets (85 %), Spring mattresses (15 %).

Clientele: Kinshasa, mainly TUBETRA, DECOMEUBLES, Ets. M.K., MEUBEFLEX.

Channels: Wholesalers and some direct sales to final customers.

Sales policy: 30-days credit to wholesalers of repute, otherwise cash on order.

Competitors:

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: TAN Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	25,000
	-
Other:	
TOTAL:	25,000
EXPENSES:	
Raw materials:	14,000
Other goods & services:	870
Personnel:	4,500
Overhead:	3,000
Finance costs:	300
TOTAL:	22,670
GROSS MARGIN:	2,330
Deprec.& Provision:	(60)
NET INCOME:	2,270

	1984	1985	1986
Prod.(t.)	28	84	45
Income. Margin %	4.0	9.0	12.0
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	738
Vehicles:	-
Machinery:	-
TOTAL:	738
CURRENT ASSETS:	
Inventories:	14,480
Receivables:	2,800
Liquid assets:	40
TOTAL:	17,320
TOTAL ASSETS:	18,058
STOCKHOLDERS'EQUITY:	
Common stock:	150
Income retained:	36
TOTAL:	186
THIRD PARTIES LIABILITIES:	
Long-term debts:	2,149
Short-term debts:	13,000
TOTAL:	17,872
TOTAL LIABILITIES:	18,058

Liquidity ratio: 1.33

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	(A)	
Suppliers:	(B)	
Clients:		
Others:		

Comments: (A) Overdraft
(B) Foreign suppliers'credit.

Banks used: UZB, BCZ.
Banking services refused (reasons):

REQUIRED FINANCING

Needed monthly oper.cash: ± $ 80.000

Required short-term financing:
$ 250.000 to purchase enough raw materials.

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

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USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: TAR Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 12, 1987

Name: TARICA Freres - SPRL — Id. Nber: AO 4755T

Address: 1-3 Ave. Usoke, LUBUMBASHI — B.P. 2321 — Phone: 2229

Shareholders: MASANGU a Mwanza
KAYUMBA Mfunwabana
Famille TARICA

Manager: MASANGU a Mwanza Administrateur-Directeur since: 9 years	1st Oper: N/A Sales 1986: 227,000	Creation: 1973 Employees: 104

Activity: Corn milling

PROVISIONING

Raw materials: Corn

Sources: Shaba (100 %)

Value of 1986 purchases: 160,000
Delay (months): 6 months (harvest)
Purchasing mode: 70 % of the total value cah-on-order in April.
Problems: Corn purchasing from April to October to be financed with short-term credit.

PRODUCTION

Process: Milling, Bagging

Age of machinery: ± 15 years
Installed capacity: ± 30,000 t./year
Used capacity: ± 60 %

Projects: Manufacture of candles

Problems: Machinery needs to be rehabilitated.

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
TOTAL	19	105	124

(breakdown by sector not available)

Permanent employees:	1984	1985	1986
	N/A	N/A	N/A

Temp. workers: 100 during the harvest for bag handling.
Average Nber of years in Cy: 5 years

Training needed: Two millers should be trained abroad.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Corn flour.

Clientele: MIBA (41 %), SNCZ (37 %), GCM (18 %), Others (4 %).

Channels: Direct sales.

Sales policy: 30-days and documentary credit.

Competitors: AMATO Freres, AGRICOM, Gecamines-Developpement.

Problems: Unfair competition from the Zambian flour (does not pay custom taxes and heavily subsidized by Government).

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: TAR Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: May 12, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	227,756
Other:	877
TOTAL:	228,663
EXPENSES:	
Raw materials:	163,370
Other goods & services:	
Personnel:	49,580
Overhead:	
Finance costs:	8,846
TOTAL:	221,796
GROSS MARGIN:	6,837
Deprec.& Provision:	3,835
NET INCOME:	3,002

	1984	1985	1986
Prod.(t.)			
Income.	138,900	235,100	227,800
Margin %	0.4	1.4	1.3
Invest. (total 1984-1986)			6,100

Books audited: Once (Coopers & Lyb.)

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (not revalued)	
Buildings:	684
Vehicles:	2,438
Machinery (and Others: 14)	7,181
TOTAL:	10,313
CURRENT ASSETS:	
Inventories:	2,286
Receivables:	69,879
Liquid assets:	5,043
TOTAL:	77,208
TOTAL ASSETS:	87,521
STOCKHOLDERS'EQUITY:	
Common stock:	2,500
Income retained:	8,227
TOTAL:	10,727
THIRD PARTIES LIABILITIES:	
Long-term debts:	n/a
Short-term debts:	n/a
TOTAL:	76,794
TOTAL LIABILITIES	87,521

Liquidity ratio: N/A

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:	70,000(A)	
Suppliers:	34,800(B)	
Clients:		
Others:		

Comments: (A) seasonal agricultural credit to finance purchases during harvest time (6 months),
(B) suppliers'credit (6 months).

Banks used: BCZ, BDP, UZB, NBK.
Banking services refused (reasons):
Credit ceiling reached by banks.

REQUIRED FINANCING

Needed monthly oper.cash: ± 27,700

Required short-term financing:
Working capital requested: 200,000
obtained : 70,000

Required long-term financing:
Rehabilitation of the milling equipment: ± $ 60,000.

N.B: Zaires figures are in 1,000 zaires.
Liquidity ratio defined as: (receivables + liquid assets) / short-term debts

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: UPE Page 1 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

Name: UPEKO (Usine de Peinture Kombe) - Ent. Individuelle | Id. Nber: C 52502W

Address: 39, rue Paulisi, Ngaliema, KINSHASA B.P. 12281 Phone: 80101

Shareholders: Cit. KOMBE DI NZIUKI (Sole owner).

Manager: Cit. Kombe Di Nziuki	1st Oper: 1977	Creation: 1977
since: 1977	Sales 1986: 6.011,	Employees: 16

Activity: Manufacturing of paints and other such products.

PROVISIONING

Raw materials: Titanium oxyde, Chalk powder, resins, pigments, etc...

Sources: 100% local

Value of 1986 purchases: 367,
Delay (months): 0
Purchasing mode: Cash on order

Problems: Difficulties to find a reliable and stable local source of raw materials.

PRODUCTION

Process: Mixing of prepared components

Age of machinery: 1977
Installed capacity: 275 tons
Used capacity: variable with sales.

Projects: Manufacturing of waterproof paint and purchase of spare parts for existing equipment (12.000, z.)
Problems:

ADMINISTRATION

Personnel	Managers	Workers	TOTAL
Production			
Admin.			
Sales			
Others			
	4	12	16

Permanent employees:	1984	1985	1986
	13	14	16

Temp. workers: ± 10

Average Nber of years in Cy: 6

Training needed: Marketing and Technical training for workers.

Training org. used: None

Quality evaluation:

MARKETING AND SALES

Products: Paints and varnishes (75%), Glue (5%), Thinner (5%), Wall protecting coats (15%).

Clientele: Building contractors in Kinshasa, Bandundu and Bas-Zaire.

Channels: Direct sales to contractors and sales through wholesalers.

Sales policy: Cash on order, sometimes downpayment and credit (2 months max.)

Competitors: All paint manufacturers

Problems:

N.B: Zaire figures are in 1,000 zaires.

USAID	PRIVATE SECTOR PROJECT DESIGN	Ref: UPE Page 2 of 2
COOPERS & LYBRAND	COMPANY PROFILE	Date: June 26, 1987

STATEMENT OF INCOME (1986)

REVENUE:	
Sales:	6.011
Other:	-
TOTAL:	6.011
EXPENSES:	
Raw materials:	3.243
Other goods & services:	345
Personnel:	516
Overhead:	420
Finance costs:	
TOTAL:	4.524
GROSS MARGIN:	1.427
Deprec.& Provision:	(54)
NET INCOME:	1.433

	1984	1985	1986
Prod.(t.)			
Income.	35,5	44,7	85,3
Margin %			
Invest.			

Books audited: No

BALANCE SHEET (12/31/1986)

FIXED ASSETS: (depreciated book value)	
Buildings:	883
Vehicles:	106
Machinery:	245
TOTAL:	1.243
CURRENT ASSETS:	
Inventories:	1.083
Receivables:	36
Liquid assets:	470
TOTAL:	1.589
TOTAL ASSETS:	2.823
STOCKHOLDERS'EQUITY:	
Common stock:	922
Income retained:	1.434
TOTAL:	2.356
THIRD PARTIES LIABILITIES:	
Long-term debts:	0
Short-term debts:	467
TOTAL:	467
TOTAL LIABILITIES:	2.823

Liquidity ratio: 1.08

AVAILABLE EXTERNAL FINANCING

SOURCES	Short-term	Long-term
Banks:		
Suppliers:		
Clients:		
Others:		

Comments: Only source of financing is owner's equity.

Banks used: Barclay's

Banking services refused (reasons): Too small to be of interest.

REQUIRED FINANCING

Needed monthly oper.cash: ± 250,

Required short-term financing: Short-term loan of 10.000, z.

Required long-term financing:

N.B: Zaires figures are in 1,000 zaires.

Liquidity ratio defined as: (receivables + liquid assets) / short-term debts