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1. THOMAS R. FATTORI
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LYNDA K. BARROW

14. Telephone Number

(703) 237-9303

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MARKETING PROGRAMS AND MARKET SITE DEVELOPMENT

USAID Zaire

AREA FOOD AND MARKET DEVELOPMENT PROJECT (660-0102)
Contract No. AFR-0102-C-8002-00

Prepared by

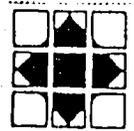
THOMAS R. FATTORI
Marketing Consultant

July 1990

REPUBLIC OF ZAIRE

Ministry of Agriculture and Rural Development

The Pragma Corporation



USAID/Zaire

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Report on

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ACRONYMS

- o ANEZA Association Nationale des Entreprises du Zaïre
- o CAL Centre Agricole de Lusekele
- o CBZO Communauté Baptiste de l'Ouest du Zaïre
- o CDR Centre de Développement Rural de Djuma
- o CEAE Cooperative d'Élevage et Agriculture d'Ekubi
- o COOPEC Cooperative d'Épargne et Crédit
- o DMPCC Direction des Marchés, Prix et Crédits de Campagne
- o DPP Développement - Progrès Populaire (Idiofa)
- o EPIF/CAL Étude pilote pour l'intégration des femmes dans le processus de développement/Centre Agricole de Lusekele
- o GOZ Government of Zaïre
- o INS Institut National de la Statistique
- o NGO Non-Governmental Organization
- o PADR Projet d'Alimentation Développement Rural
- o PK/MS Petit-Kasai Market Site
- o PROCAR Projet de Développement de la Production et Commercialisation Agricoles Régionales
- o PVO Private Voluntary Organization
- o RAV Recherche Agricole et Vulgarisation

EXECUTIVE SUMMARY

This consultancy focused on the following activities: 1) assisting the Centre Agricole de Lusekele (CAL) with the organization of its marketing interventions; 2) assessing the Petit-Kasai village area as a potential location for market site development activities; 3) developing a program of action for the Petit-Kasai market site; 4) developing a program of action for an area market information system; and 5) implementing the Petit-Kasai market site program.

The consultant, in collaboration with Cit. Nahimana of TechnoServe, recommended that CAL adopt certain organizational and behavioral changes in its current structure and attitude, enabling the development of a more autonomous and aggressive marketing unit within CAL. CAL should integrate its marketing activities with its strong extension program, especially regarding market information flows, truck scheduling and routing, and commodity procurement programs. It will be difficult for CAL to compete economically with Kinshasa-based marketers/processors in Kinshasa. Therefore, the profitability of the marketing program will be dependent upon CAL's ability to develop commercial links with traders in Petit-Kasai or Kikwit. CAL's principal operating objectives should be oriented towards increasing marketing efficiency by reducing truck down-time during buying (in rural assembly areas), during selling (in Kinshasa, Petit-Kasai, Kikwit), and due to mechanical break-downs.

Petit-Kasai was found to be a suitable location for PROCAR to implement market site development activities. As a market town (truck stop), it has the kinds of activities that are important to small- to mid-sized traders, such as a restaurant, hotel, boutique, fuel, tire repair facilities, and storage services. The existing marketing system suffers from inadequate

organization and limited access to marketing resources (for instance, information, communications, and credit) that could enable this town to become an efficient marketing service center.

The consultant recommended that PROCAR develop a Petit-Kasai market site (PK/MS), including such basic infrastructure as storage depots (containers), office space, water cisterns, and a durable roofing structure (hangar). The purpose of the PK/MS program is to increase the marketing efficiency of small- to mid-sized traders in and around the CAL project area, by coordinating and facilitating certain marketing activities that are part of an existing marketing system. The ultimate success of the PK/MS program depends upon the ability of local traders to organize themselves into an effective cooperative or association.

The consultant recommended that PROCAR organize, manage, and provide financial support for collecting, processing, and diffusing market price information for public commercial use. The purpose of this program would be to increase the quantity, quality, and diffusion rate of market price information available to all traders interested in marketing activities in Kinshasa or the project area.

Implementation of the PK/MS program has progressed through the following steps: 1) land ownership; 2) site and structural designs completed; 3) pro-forma price statement on physical structure components given by suppliers; 4) USAID/Zaire engineering approval of the hangar design; 5) land clearing by local villagers; 6) transport of building materials to the site; 7) arrangements with Office des Route for access road building; and 8) procurement of containers to be placed at the site.

I. INTRODUCTION

A. Scope of Work

The scope of work (SOW) for this short-term consultancy, lasting approximately three months (April 16 to July 15, 1990), was originally established to assist the Centre Agricole de Lusekele (CAL) in organizing its marketing interventions. The initial tasks were to: 1) characterize the current marketing systems found in the CAL project area; 2) identify outstanding marketing constraints; 3) recommend options for alleviating the constraints; 4) formulate a product assembly and evacuation strategy (by truck) for CAL, based on product surplus zones; and 5) determine the feasibility of using Vanga as a river-based market site with product evacuation by boat.

The SOW also targeted the Petit-Kasai market as a potential site for PROCAR project intervention, with emphasis on coordinating marketing activities with CAL. The consultant was requested to conduct an in-depth assessment of marketing activities at Petit-Kasai, determine actions and resources required to implement an improved market site, and assist in implementing the improved market site.

The consultant was also requested to assist PROCAR's Research and Information Division to develop a marketing monitoring and evaluation system.

B. Modifications to the Scope of Work

The marketing consultant was informed by USAID/Zaire that developing marketing concepts and programs appropriate for the PROCAR project area would be a desirable product of the

consultancy. Therefore, two concept papers focusing on market site development and on a market information system were presented to USAID/Zaire during the month of May.

The marketing consultant advised PROCAR and USAID/Zaire on the importance of developing the Petit-Kasai market site. Also, he requested that the Vanga river market site and boat evacuation feasibility study be lowered in priority, since time would be a limiting factor.

April 16-30

C. Consultant Orientation

Washington (Pragma) -- The consultant was briefed on project activities, current technical assistance personalities, project political environment, and various operating procedures required by PRAGMA (project contractor).

Kinshasa (USAID) -- The consultant was briefed on project activities and the need for marketing interventions defined in the SOW. Emphasis was placed on maintaining communication linkages with all project divisions, non-governmental organizations, and supporting organizations.

Kikwit (PROCAR) -- The consultant was briefed in detail on individual project division objectives by members of the technical assistance team (expatriate) and PROCAR division leaders. He then conducted a review of project-related documents.

The consultant reviewed numerous survey reports, travel logs, and baseline studies conducted in the PROCAR project area. Noteworthy reports included: 1) Socio-Economic Base-Line Survey and project concept papers by Elizabeth Reid (May 1981) and William Pruitt (1983); 2)

Commercial Survey Baseline Study by Louis Berger International, Inc. (Livingston), October 1988; 3) The series (1-17) of economic studies conducted by the Direction Des Marchés, Prix et Credit de Campagne (DMPCC) under the guidance of Prof. Eric Tollens; 4) Secondary Cities and Market Towns in Bandundu Region by Deborah Prindle (November 1984); 5) Land Tenure in Central Bandundu by James C. Riddell (April 1986); and 6) The Potential for Rural Savings Mobilization in Zaire by John F. Gadway (May 1987).

Individually, the various reports and studies have produced a wealth of information covering socio-economic as well as agro-biological conditions found in the project area. Some of this information will serve as important baseline data for the marketing program. The best quantitative market data available to PROCAR are those produced by the DMPCC. The market research methodology outlined and recommended in the Livingston report should be considered appropriate for testing in the project area. The consultant describes in detail (Chapter V) how these procedures could be implemented by PROCAR as part of a broader market information system, while standardizing and coordinating market information with DMPCC and other interested parties.

Much of the information found in the various documents is presented as subjective observations, notes, and personal feelings. However, the fact that quite a varied group of specialists produced these reports makes the ensemble of reports and studies quite impressive and useful. The PROCAR staff has at its disposition sufficient information to be able to develop plans and activities for the Marketing and Processing Division. What is required by this office is strategic thinking that enables coordination and cooperation by the other PROCAR divisions. For example, agricultural production is tied to marketing, and women should be considered producers/marketers. Therefore, any activities planned for training, extension,

production, or the role of women in development should be coordinated with the Marketing Division.

May 1990

II. CAL MARKETING PROGRAM ASSESSMENT, (SOW-1.A.1.)

A. Background

Commercial behavior and institutional priorities -- Successful commercial activity is dependent upon appropriate (individual and firm) behavior. This behavior can often be characterized as entrepreneurial, business-like, or simply commercial. Most of the existing traders in the PROCAR project area could be considered entrepreneurs. They are individuals who have successfully coupled this behavior with their management, organizational, and technical skills in order to survive the economic and political ups and downs Zaire has experienced since independence. CAL will be competing for market share in a marketplace dominated by these entrepreneurs.

For over fifteen years, CAL has operated as a non-profit organization established for development purposes and governed by religious beliefs. Any modification of this kind of charitable behavior will be slow and politically difficult. Yet, it is essential for CAL/marketing to adopt a commercial attitude if it is to survive economically.

CAL's principal activities are oriented towards such agricultural services as training, extension, demonstration trials, and the role of women in agriculture. To help finance other project activities, CAL has implemented a number of small programs, including coffee shelling, raising rabbits and chickens, seed multiplication, tin smithing, and hand tool sales. Unfortunately, to

date these activities have not been successful in financing the project. The need for a reliable source of capital from a marketing program is mounting as the budgets of external support organizations are being cut.

B. Organization and Management

CAL and its parent institution, CBZO, are linked managerially through CBZO's Administrative Council. CAL has a Management Committee composed of the center's Director, Technical Advisor, Administrator, Accountant, Agriculturalist, Pasteur, and the Director of EPIF/CAL. All marketing activities are the responsibility of the Administrator (Cit. Mumvemba), who reports directly to the center's Management Committee.

CAL has twenty-one rural extension agents working principally in three collectivities: Kilunda (nine agents), Kwilu-Kimbata (five agents), and Lunuingu (four agents). These agents work directly with five Peace Corps rural extension volunteers and indirectly with several fish culture volunteers throughout the CAL project area.

This extension/outreach network should be utilized as part of the CAL/marketing program. Each agent could act as a source of information concerning product availability, prices, and quality. The agents could also coordinate rural produce assembly activities by either purchasing and storing produce or by assisting CAL/marketing in locating individual producers with sufficient quantities of produce for sale to justify movement by the CAL/marketing truck.

The objectives of the CAL/marketing effort are to collect useful market information through the extension network, transmit the information during prearranged extension activities, and

utilize the truck only when agents have identified that sufficient quantities of produce have been assembled for purchase. As such, a good communications network is essential.

Although CAL has a CB radio link with its sister mission at Vanga (7km), which in turn is linked to CBZO and the mission aviation service (MAF) in Kinshasa, communications would be considered weak, at best. It is important for CAL/marketing to have a direct communications link with its eventual commercial partners (buyers and sellers) in those urban market towns targeted for commercial activity.

Communicating market information within the CAL project area should be facilitated through the extension agent network and conducted by motorcycle and bicycle. The consultant recommends that PROCAR continue to assist CAL in obtaining transportation equipment and essential spare parts.

C. Infrastructure

Buildings and equipment -- The Lusekele Agricultural Center (CAL) has adequate storage space for its marketing activities. Assuming that CAL/marketing will not be engaged in long-term storage of produce beyond the needs of the center for certain cereal grains (for instance, feed grains), the security and condition of the various structures appear to be acceptable for short-term marketing activities.

Human resources -- A key problem for CAL/marketing that must be resolved quickly is the lack of skilled labor, particularly in the form of trained and experienced drivers and mechanics. One viable solution is to pay a monthly retainer fee to the Vanga mission for the occasional use of their mechanic. Not only would this option meet any prerequisite demands by PROCAR for

qualified mechanical services, but it would also assure CAL/marketing of mechanical services upon request.

D. Project Characteristics

Historical and Social Considerations -- Plantation Levers au Zaire (PLZ), Compagnie du Kasai (CK), and Fernandez, Inc., own and operate large palm oil factories in the project area. These private enterprises, along with a number of smaller now defunct factories, have historically employed either formally or informally much of the local male labor force. Their stagnation and even demise in recent years have had a considerable negative impact on the socio-economic conditions found in the project area. Local residents (mostly men) accustomed to receiving a regular salary, health care, and subsidized consumer goods now find themselves without these benefits or employment opportunities. There are few employment alternatives in the project area for these men, and, with traditional agricultural activities designated as women's work, they are reluctant to alter their customary ways.

Addressing this social dilemma will prove to be a challenging opportunity for any development organization functioning in the area. Marketing initiatives that target men as principal clients (for instance, bicycle programs for marketing) should consider potential social ramifications before full-scale implementation begins. The fact that CAL has a Women in Development program is not only encouraging, but represents a unique opportunity for CAL/PROCAR to test various initiatives under potentially controlled conditions. Understanding how new technologies and interventions effect family relationships, labor allocations, household dynamics, economic (market) linkages, and many other social issues, is extremely important. These interrelationships must be taken into account, while systematically searching for sustainable solutions to the area's development problems.

Periodic market organization and function -- Each collectivity in the CAL project area has an established circuit of periodic markets adhered to by traveling traders (truck and bicycle), producer/marketers, and resident shop owners. For example, Kilunda collectivity holds eleven market days that are spatially and temporally distanced from each other (see Annex 1). The first week's market circuit is Monday1 (Kimbilu), Tuesday1 (Kimanu), Wednesday1 (Mukulutungu), Thursday1 (Kingala), Friday1 (Konda), Saturday1 (Putobongo), and Sunday1 is a day of rest. The second week's circuit is Monday2 (Gampuru), Tuesday2 (Bamba), Wednesday2 (Zaba), Thursday2 (Kikongi), Friday2 rest, Saturday2 (Lukala), and Sunday2 rest.

Products Marketed -- This report distinguishes between general agricultural commodities and industrial agricultural commodities based on the level of processing required by the commodity. Industrial agriculture commodities (cash crops) -- such as fresh palm nuts, palm kernels, rauwolfia (bark from a tree used for medicinal use), tobacco, fiber, and to some extent coffee - - are marketed by vertically integrated buyer/processors who own or have access to manufacturing operations (industrial processing) and export facilities. These agro-industrial firms have high cost structures creating economies of scale; in addition, they trade with other industrial complexes (for instance, breweries, feed mills, and plastic factories) in order to purchase large volumes of manufactured goods at the lowest possible cost. Such general agriculture commodities as manioc, corn, peanuts, squash seeds, and rice are also cash crops for primary market consumption; however, they are marketed by a greater number of small- to mid-sized traders who do not usually integrate processing technologies with their marketing infrastructure. Assembling and distributing products marketed by these small- to mid-sized traders is more time consuming, risky, and costly (less efficient), relative to the large-scale traders.

E. Collaborative Report

"Etude de Faisabilité du Projet D'Evacuation des Produit Agricoles Par le Centre Agricole de Lusekele (CAL)," presented by Nahimana Sahobo (Technoserve, Inc. Zaire) in collaboration with Thomas R. Fattori (Pragma Consultant), was written in French by Nihimana Sahobo and submitted to USAID/Zaire, PROCAR, and CAL in April 1990. The recommendations made in that report are reproduced here in section II.F (below).

F. Recommendations

It is recommended that CAL/marketing:

- o Recognize commercial activity and behavior as an important part of the development process and adopt a more rigorous commercial attitude for the implementation of marketing initiatives. Production is intimately linked with marketing. However, production cannot push the marketing process along; it is marketing that pushes production along. Experience in Zaire has shown that village producers increase production in response to marketing initiatives that are regular and fair.
- o Obtain from or through PROCAR a radio communications system that will enable direct access to trading partners located in urban market towns or to other NGOs in the PROCAR project area.
- o Utilize its extension agent network for gathering market information, assembling produce, and coordinating marketing activities by noting and communicating on a systematic basis any marketing opportunities.
- o Minimize the use of its truck for long distance hauling (for instance, to Kinshasa) by actively searching out buyers or trading partners in Bulungu, Petit-Kasai, or Kikwit.

Conducting short-range trips more frequently will enable a faster and smoother cash flow (albeit lower margins) in the critical initial phases of CAL/marketing activities.

- o Maximize the amount of produce purchased in Lusekele by offering immediate cash payments.
- o Demand immediate payment in cash for all sale transactions.
- o Vigorously pursue the sale of low- and high-order manufactured goods while evacuating agricultural produce. This implies managing a "canteen" (store) for villagers who carry produce to Lusekele for sale, while supplying village boutiques with manufactured goods when they assemble produce for evacuation.
- o Operate the truck for assembling produce on a "verify before moving" basis. That is, Lusekele based agents using bicycles, as well as CAL's extension service, "verify" that a full load of produce has been assembled in a particular village and is ready for evacuation before the truck is authorized to move.
- o Designate a group of four or five workers who would be managed directly by the Administrator to implement marketing activities. These workers would include a driver, canteen manager, bicycle riders, truck helpers, and an assistant.
- o Obtain from or through PROCAR at least five bicycles to be used exclusively as part of the marketing communications system.
- o Sign a yearly retainer agreement with the mission at Vanga for the use of its mechanics services as needed. Payment should be made monthly and charged to the CAL/marketing program.
- o Organize the CAL accounting system for CAL/marketing, so that monthly reports could be issued to PROCAR. These reports would be used to determine the relative success of the marketing initiatives in meeting CAL's established objective of financing part of its own activities.

- o Minimize the use of its truck on tertiary roads. Village producers located along the roads in the poorest condition (tertiary) are often willing to sell produce at lower prices. Although this may seem like a lucrative proposition, the additional time lost in accessing these locations and the risk of damaging the truck should discourage CAL/marketing from using these roads.

III. PETIT-KASAI MARKET SITE ASSESSMENT, (SOW-IA.2.)

A. Importance to CAL

Louis Berger's October 1988 Commercial Baseline Survey highlighted the importance of the periodic markets found in the Kilunda and Luniungu collectivities and the role they play as commodity assembly points. This report revealed that the marketing system found in this area resulted from the proximity of the Kinshasa/Kikwit paved road, Route Nationale #1 (RN#1). The development of an assembly/transfer center at Petit-Kasai would be appropriate for the area as it would serve to facilitate the existing marketing system without attempting to alter current market behavior.

The Nahimana/Fattori report clearly expressed the financial importance of CAL/marketing finding a buyer in either Kikwit or Petit-Kasai to limit the need for transporting produce to Kinshasa. No trucks are currently available for rent in Petit-Kasai. In addition, under the current state of market organization found in Petit-Kasai the likelihood of finding buyers on a regular basis seems quite remote. There are traders from Petit-Kasai who have owned and rented trucks in the past, indicating a level of organization that is possible to achieve. These trucks are presently broken down, and the traders find it too expensive or not even possible to

purchase spare parts, which is typical of the situation for mid-sized traders throughout the project area.

B. Linkages to PROCAR

PROCAR's commitment to help established NGOs (for instance, CAL, CEAE, DPP, PADR, and CDR) with their marketing interventions is part of an overall development strategy aimed at increasing the livelihood of the rural poor. PROCAR's role of facilitating NGOs in the development process, particularly with regard to their marketing interventions, needs to be clearly defined, tested, and evaluated. The consultant recommends that PROCAR adopt a business like attitude towards the NGOs, which would entail the establishment of protocols, contracts, audits, and formal evaluations of all activities sponsored by PROCAR. These kinds of linkages will serve a useful purpose at later stages in the development process, as PROCAR attempts to integrate production, extension and training activities into the marketing system. A clear, and concise understanding of responsibilities by all parties concerned will undoubtedly serve the project well.

C. Site Visit by Fattori/Nahimana: Potential site locations

The first official visit to the Petit-Kasai area resulted in the identification of four potential market sites. The first, Camp-Bulungu, is just at the road junction of RN#1 and RN#18. This site is some 400m from the paved road and straddles RN#18 for 300m. Camp-Bulungu has fewer residents, market facilities, and services than Petit-Kasai; however, its land is abundant and easily accessible. The second site is located along the north side of the paved road entering Petit-Kasai village from Kikwit. The third site is along the north side of the paved road at the bridge crossing the Gobari river. This site is the smallest of the four and has a potential flooding problem if the river was to rise more than about three meters. However, it is the only

site with easy access to water and protection from wind and rain, due to its location at the bottom of a valley. The fourth site is in Muluma where the CDR of Djuma has a depot and transfer facilities.

D. Site Visit by Fattori/Kilek

Site selection (see map in Annex 1) -- Petit-Kasai village is situated approximately 73 km North West of Kikwit, along the Kikwit-Kinshasa paved road (RN#1). It is also 3km from the turn-off point where RN#18 leads to Bulungu, Vanga, and Lusekele. Commercial marketing activities in the Kwilu-Kimbata, Due, and Nkara collectivities tunnel through Bulungu and access the RN#1 at Petit-Kasai. Evacuation of produce by the CDR de Djuma normally flows in a more direct line along RN#9, where it joins RN#1 at Muluma. However, during periods of heavy rain CDR is forced to use the RN#18 to regain RN#1 at Petit-Kasai. CDR owns and operates a transfer site at Muluma, where seven- to eight-ton trucks transfer loads of produce to twenty-two- to twenty-four-ton tractor trailers.

Responsible agents and political entities -- The most important individual in terms of customary rights and land ownership is Cit. Kiliri Matapisi Gimena, Chef de Terre ("land chief"). From the point of view of the Government of Zaire, land ownership formalities should be conducted at the collectivity (Mosango), zone (Masi Manimba), and sub-region (Kwilu) level.

Land ownership -- PROCAR will make customary restitution to the Chef de Terre in the form of goods and a small cash indemnity. Legal ownership will be established at the Mosango collectivity and in Masi Manimba. The current Chef de Collectivite, Cit. Mapanda, is in favor of developing this marketing site within his jurisdiction, since it will likely generate tax revenues.

Assembly market town characteristics -- Petit-Kasai is a small market town (truck stop) with a population of about 1,500 people. The town has two primary schools, a dispensary (health center), a daily market place accompanied by 6-7 small general merchandise shops (boutiques), and a small hotel with food and bar services (electric generator, refrigerator). Local artisans sell earthen wares in small quantities to Kinshasa travelers. Other service activities include tailors, radio repairs, carpenters, masons, bicycle repairs, tire repairs, and fuel and oil sales. These services are generally managed by men. Women sell fresh produce in the market place, cook small meals at road side restaurants, and manage some of the small shops.

Area of influence -- Petit-Kasai draws agricultural producers/marketers, itinerant bicycle traders, and boutique owners from at least six neighboring villages, including Mukilu (3km), Nzumbu (5km), Kibengi (7km, bi-weekly market on Friday), Busonge (7km), Mbanza (15km), and Kindundu (6km, bi-weekly on Wednesday). The population of these outlying villages could easily total several thousand or more.

Potential office site -- Adjacent to the land designated for market site development by PROCAR, there is an unfinished house with a strong foundation, cement block walls, and reinforced concrete columns and belting (Annex 2). The owner, Cit. Muwangi, is willing to sell it to PROCAR. By purchasing this structure at the price that it would cost PROCAR to build, PROCAR can "buy time," which it needs to set up a logistical support unit for the market site.

IV. PETTIT-KASAI MARKET SITE - PROGRAM, (SOW-1.A.2.)

A. Program Concept

Under this program, PROCAR will support the development of a market site and the management of marketing services in Petit-Kasai. The Petit-Kasai market site (PK/MS) and services will be available to rural producers/marketers, itinerant traders, and all traders who actively commercialize goods in the vicinity of Petit-Kasai. The principal objective of the PK/MS program would be to assist an undetermined number of small- to mid-sized producers and traders, in and around the PROCAR project area, to improve their marketing systems. The program will coordinate and facilitate certain marketing activities that are part of a marketing system already operating in the area, thus increasing producers' and traders' marketing efficiency; this, in turn, will increase their levels of income.

The primary modifications envisaged are improving communications, information flow, storage, security, technical and management assistance, and so on. These modifications will enhance or facilitate activities that benefit an existing but uncoordinated marketing system. The PK/MS program will provide a low-cost marketing structure, allowing a large number of small- to mid-sized traders to enter the market system while encouraging the development of decentralized exchange points (rural assembly points) throughout the CAL/marketing area. By increasing the efficiency of the marketing system in the Petit-Kasai area the relationships among traders should be basically competitive.

Special provisions to ensure efficient administrative and financial control will be required, at least during the first year. These provisions are described below under section I., "Management Program."

B. Market Site

PROCAR will develop basic infrastructure to constitute a market site. The infrastructure envisioned include storage depots (containers), office space, water cisterns, and a durable roofing structure (hangar).

C. Market Services

PROCAR should consider the services outlined below as appropriate interventions by the individuals managing the market site. These services reduce the most common market constraints in the area, and should enable small- to mid-sized traders to compete with large, well-established traders.

1. Administrative services --

- a. Storage rental (security)
- b. Market information (current prices)
- c. Communications (message service)
- d. Savings and credit services (COOPEC)
- e. Management services (TechnoServe)
- f. Wholesale and retail access
- g. Brokerage services (if desired)
- h. Quality control (weight verification)
- i. Buffer supplies (sacks, drums)

2. Technical services --

- a. Oil, mazout, petrol shop
- b. Mechanic/quado shop (base tools)
- c. Bicycle repairs and spares

- d. Flour milling
- e. Solar freezer

D. Market Site Design

Two preliminary site designs (Annex 3) were prepared for approval by USAID/Zaire. These designs (layouts) were developed to help visualize the concept of a low-cost, covered market site. Engineering designs for the main structure (hangar) will be provided by TUBETRA-ZAIRE for USAID/Zaire engineering approval. The market site layout includes water tanks (appr. 150 M3) for rain water storage; twelve containers equipped with skids and shelving for storage and shops; benches for local marketers; and hangar for protection and security. The first layout option situates six containers on either side of the hangar. The second situates all twelve containers on one side, such that they can serve as a wall against strong winds and rain.

The Petit-Kasai market site is located on a barren hill top and is exposed to strong winds originating from the Southeast during the rainy season. To guard against damaging winds, bamboo or other wind-breaking trees should be strategically planted around the market site as part of the implementation activities. Having all twelve containers on one side also maximizes the amount of open market space for local producer/marketers and traders.

E. Program Implementation Schedule

Annex 4 is a hard copy of the PK/MS activities worksheet. It is a checklist, scheduling, and cost estimate instrument to be utilized during program implementation. The list can be updated on PROCAR's computers using Lotus 123 and the work file entitled PKOUTLN.WK1 archived in the marketing division's office.

F. Management Program

The management program envisioned includes several key components:

- o A hired management officer (TechnoServe) to recruit individual traders and assist them in forming a PK/MS management association, which would be responsible for the long-term management of the site.
- o CAL would be requested to station a Peace Corps Volunteer at Petit-Kasai as part of its marketing/extension activities.
- o To alleviate the uncertainties pertaining to long-term site management, the PK/MS management program could be carried out in two phases. The first year of site implementation would be devoted to the development of 1) the market site; 2) organizational initiatives (such as forming an association of local traders); 3) an effective communication and market information system; and 4) linkages with CAL and Kikwit market site activities. PROCAR would also organize and help implement COOPEC savings and credit initiatives at Petit-Kasai, while assisting Technoserve with management training programs for resident traders. Following this start-up phase, a full review of program activities would be undertaken, prior to proceeding with the second phase of the program. If the program review concludes that the management activities have been inadequate or inappropriate, PROCAR could modify and/or extend the management activities for another six months, which would be again subject to program review.

G. Market Site Growth and Expansion

The market site established at Petit-Kasai will be a model system. PROCAR can potentially replicate its facilities and services at other selected sites and in relationship with other NGOs or PVOs.

The Petit-Kasai model is designed as a modular unit in terms of structure and activities. For example, the hangar is designed with the potential of structural growth from its original size to any length desired (within limits of land constraints). Also, growth in the types of activities and services rendered at Petit-Kasai can be increased to accommodate new marketing opportunities. For example, trucks can be stationed at Petit-Kasai and rented by local traders at a daily rate.

Expanding the Petit-Kasai model will involve adapting the current model to new potential market sites. Model adaptation entails characterizing the existing marketing system in the new site area and implementing activities that are appropriate to the specific marketing system. It should be noted that the marketing systems functioning in the PROCAR project area are quite varied and understanding how they operate is prerequisite to any new PROCAR market site initiative.

H. Market Site Evaluation System

Baseline market information (for instance, products, prices, quantities, services, and so on) should be documented from day one of the market site intervention. This management activity should be defined in the scope of work of the management organization contracted. Accurate time series data will serve to evaluate the impact of the model market site (for instance, quantities handled), its cost effectiveness (for instance, people served/dollar invested), and to evaluate individual market site activities (for instance, credit facilities, bicycle repairs, or truck rental services).

V. MARKET INFORMATION SYSTEM - PROGRAM, (SOW-1.A.3.)

A. Program Concept

PROCAR would organize, manage, and support financially the collection, processing, and diffusion of market price information for public commercial use. Such price information would be collected in rural areas in collaboration with recognized NGOs and PVOs. Collection of price information in the various urban market towns (for instance, Kikwit, Bulungu, Idiofa, and so on) would be conducted in collaboration with the Institut National de la Statistique (INS). Processing of collected price information would be conducted at the Marketing and Processing Division office (PROCAR) and then diffused to any interested merchant, trader, or shop owner in a newsletter format.

The purpose of this program would be to increase the quantity, quality, and diffusion rate of market price information available for commercial use. This kind of information is normally required in an effective and efficient marketing system. Rural producers/marketers are handicapped by the lack of an organized information system and would be the major beneficiaries of this program.

B. Program Objectives

The objectives of this market information service (Service d'Information du Marche - SIM) would be to survey and analyze prices, vendors, merchandise, volumes, and so on and disseminate the information collected.

The first objective would be to survey rural and urban market prices by category of product or service, within a generalized class of goods or services, and identified as a particular good from a variety of goods in a category. For example:

Class (base manufactured goods)

Category (soap)

Variety (coq, monganga, bath)

- a. Class: General agriculture goods;
 - (1) Category: manioc, corn, peanuts, squash seeds, and rice.
- b. Class: Industrial agriculture goods;
 - (1) Category: palm fruit, palm kernels, rauwolfia, tobacco, fiber, and coffee.
- c. Class: Base food goods;
 - (1) Category: manioc leaves, bananas, hot peppers, beans, eggs, chicken, fish, amaranths, and other vegetables.
- d. Class: Base manufactured goods;
 - (1) Category: soap, salt, canned sardines, matches, kerosene, cigarettes, beer, school supplies, and medicine.
- e. Class: Luxury manufactured goods;
 - (1) Category: cement, cloth, hoes, machetes, metal pots and pans, radios, and new clothing.
- f. Class: Services;
 - (1) Category: bicycle repairs, watch/radio repairs, tailors, restaurants, carpenters, blacksmiths, pharmacies, hotel rooms, and transportation tickets.
- g. Class: Artisanal products;

- (1) Category: Mats, baskets, pottery, woven sacks, and wooden furniture.

Second, the market information service would produce a monthly Market News Report (Mercurial du Marche) complete with average, maximum, and minimum current prices. It would also include the previous months' average prices and the percentage change in average prices over the time period. Other commercial information -- such as the exchange rate for various foreign currencies, truck and boat rental rates, and transportation costs for a sack of produce to various market destinations -- might be included as well.

In addition, the service would determine the variation in the sales price of a variety of goods at a given point in time, seasonal trends and short-term cycles in prices of goods for the various market towns found in the project area, and vendor frequency in a market by category of goods sold (market composition) and determine changes in vendor frequency over time.

The market information service would also determine vendor gender by category, detect any changes in vendor gender selling within a category of goods over time, and, if possible, determine the volume of merchandise marketed. (Volume data may be more efficiently organized with the Transportation Economics Division of Project 098.) The PK/MS is an ideal location for conducting transportation surveys in that project area traffic funnels through this point.

Fourth, the service would coordinate survey methodology with DMPCC and Project 098. The service would ensure compatibility with existing data bases, particularly with regard to:

- (1) Data input format

(2) Data storage format (ASCII)

(3) Storage device format

Another objective would be to provide PROCAR's Research and Information Division with the market information generated by this program. Doing would allow this important information component to be integrated into the project's information system.

The market information service would also coordinate and cooperate with Project 098 in terms of data collection and information needs. This would avoid redundancies and insure compatible methodologies.

Finally, the service would provide USAID/Project 025 with market data.

C. Methodology

Louis Berger's October 1988 Commercial Baseline Survey recommended procedures, discussed below, for conducting follow-up commercial surveys. The basic premise on which these procedures were recommended is that the relationship between purchasing power and the level of market activity is rather straightforward. Market vendors, shop owners, artisans, and transporters will respond to both an increase and change in demand for consumer goods by providing more and different goods. Over time, increased purchasing power would be reflected by an increase in the number of categories of goods available in the market place as well as the number of vendors selling those product categories.

Each vendor in the market place is classified according to the primary category of goods that he/she is selling. To avoid any error in judgment, only the two largest categories of goods

should be recorded. This way, vendors are only associated with what they were primarily offering for sale. If the vendor cannot be associated with one or two categories because the quantities of goods within the category are so similar, the vendor can be classified as selling "mixed categories."

The majority of vendors will be selling many more than two categories of goods, with one or two categories predominating. Diversification as a marketing strategy is as important to traders as it is to producers. Potential changes in production and/or marketing specialization should be an integral part of the Research and Information Division's economic monitoring program.

It is important to gain an idea of both the number of categories and the number of vendors participating in the market. What is important for monitoring fluctuations in market composition, however, is the change in the number of times a particular category appears in a market. Fluctuations in the number of times various categories of goods and services are present in individual markets (frequency) reflects change in local consumer demand.

Using the above-mentioned methodology will result in differences between total number of categories within a class of goods or services and the total number of vendors at a market place. This is due to vendors selling more than one category of goods in the market place.

D. Survey Instrument

The survey instrument presented in Annex 5** was designed to provide information for both commercial and scientific use. Current price information by class, category, and variety of goods found in rural, market town, and primary markets will be made available for commercial use. Information collected on vendor frequency, vendor gender, and commodity price information can be utilized by PROCAR for program impact assessments.

The survey instrument in Annex 5** is for market place information. Survey instruments for collecting price information in wholesale and retail stores should be developed using a similar format.

E. Locations

The following urban-based market centers should be targeted as part of the market information program: Kikwit, Bulungu, Idiofa, Mangai, Dibaya Lubwe, Bagata, and Bandundu. The program can begin market information gathering activities from its base in Kikwit and expand into Bulungu and Idiofa in the short term. Then, the smaller market towns of Mangai, Bagata, Dibaya Lubwe, and Bandundu can be incorporated into this evolving program as information collection and diffusion experience is gained and as resources become available.

Market information gathered from various rural-based periodic markets should be stratified by market domain (homogenous groupings). The project area could be tentatively divided into six market domains based on distribution channels, agro-biological diversity, trader/processor marketing activities, and the presence of project related NGOs (see map on the following page):

- (1) CAL area (green)
- (2) Djuma/Fernandez (orange)
- (3) Manzansai (pink)
- (4) DPP/PADR (blue)
- (5) Kwilu river (brown)
- (6) Kasai river (yellow)

It is important for PROCAR to characterize the marketing systems functioning in each market domain. This characterization process is necessary to understand how villagers in the project area make decisions concerning their production systems. Specifically, it is important for PROCAR to identify within each market domain: 1) the principal marketing actors; 2) the flow of goods in and out of each system; 3) the volume of goods in the various distribution channels; and 4) seasonal changes in the marketing systems in the project area.

Market information, especially current price information from the primary market (Kinshasa), should be made available to traders in urban market towns and rural areas. Methodology for collecting such information should be coordinated with the DMPCC to ensure efficient transfer of data among data-banks.

F. Linkages

The consultant recommends that PROCAR mediate the organization of the market information system with the objective of linking together the various participants in the program. The formal participants should be: 1) PROCAR, 2) DMPCC, 3) all project area NGOs, 4) all project area Peace Corps Volunteers, and 5) the Institute National de la Statistique (INS). The informal participants should be: 1) ANIZA, 2) COOCEC/COOPEC, and 3) private traders working in the project area.

The opportunity exists to enhance project area marketing efficiency through increased market information flows. PROCAR should capitalize on this opportunity by formalizing and organizing an area market network program that will encourage participants to work together. PROCAR should ensure that communications and information sharing is institutionalized among all formal and informal participants. This objective can be accomplished by providing the participants with

appropriate communication capabilities, market newsletters, and training programs for collecting and diffusing market information, and by encouraging cooperation among formal and informal participants.

G. Research

The market information gathered and centralized at PROCAR has commercial as well as scientific value. If PROCAR can be consistent in its market information gathering techniques, then this information should be utilized by DMPCC, USAID, and SEP in their economic analysis programs. For example, one could evaluate: 1) the response time of rural and market town price changes to Kinshasa price changes; 2) changes in gender labor usage in the market place; and 3) various transportation cost structures, to mention just a few possibilities.

H. Implementation

Program management should be conducted, organized, and centralized by PROCAR's Marketing and Processing Division in Kikwit. Market information gathered by PROCAR in Kikwit (market town) should be coordinated with NGO marketing programs in the CAL project area, Petit-Kasai, Ekubi, and Idiofa.

An effective communications system is essential to the success of the PROCAR marketing program and the individual traders working in the project area. This area of the overall program is very important and should be given high priority. For example, PROCAR should: 1) establish radio links with all NGOs and market sites in the project area and Kinshasa; 2) conduct training sessions with NGOs concerning information collection and diffusion; and 3) determine a data pick-up schedule and adhere to it, in order to provide timely information to all participants.

Information management should be centralized at PROCAR. The Marketing and Processing Division should utilize the information for commercial use and then pass the information to the Research and Information Division for scientific use.

June & July 1990

VI. PETIT-KASAI PROGRAM IMPLEMENTATION

A. Land Ownership

A formal agreement (Attestation D'Installation) was signed on June 13, 1990, by PROCAR representatives (witnessed by Mayanga Letre), the Chef de Groupement (Yaba Kwikumbu), and the Chef Coutumier de Mfintangi (Kileri Matapisi Gimena) in Petit-Kasai. This agreement provides PROCAR with two hectares of land located on the north side of RN#1 when entering Petit-Kasai village from Kikwit. In the agreement PROCAR declared its intent to develop a market site on this land, which would benefit the local population.

PROCAR representatives provided the Chef Coutumier de Mfintangi with traditional gifts (salt, cloth, cigarettes, matches, beer, and a machete, cup, and blanket) and a small cash indemnity (50,000 zaires).

B. Office Building Ownership

An Act de Vente was signed by PROCAR representatives (Toby Vaughan and Mayanga Letre) and the owner of the unfinished building (Cit. Mvwangi Mbumbu), on June 13, 1990. The sale price was fixed at 1,500,000 zaires with part of the payment to be made in cement (60 sacks) and rebar (25 pieces).

C. Procurement for PK/MS

1. Hangar

The consultant requested price quotes (devis) from three Kinshasa based metal-working companies (MOBIMETAL, TUBETRA-ZAIRE, AND MEFERCO) for an 18m long, 20m wide, and 6m high storage hangar. Contact with these suppliers was coordinated with Cit. Mulamba wa Kabasele, the USAID/Zaire engineering advisor.

MEFERCO was eliminated as a potential supplier because of its inability to deliver the hangar in less than four months. Both MOBIMETAL and TUBETRA-ZAIRE were capable of delivering the hangar in four to six weeks.

TUBETRA-ZAIRE was selected as the preferred supplier for two reasons. First, TUBETRA-ZAIRE was the only company to offer ALUZINC as the roofing material. This product was reported to have over 50 percent aluminum combined with steel and zinc. The thickness (5/10 mm) was greater than the aluminum sheeting offered by MOBIMETAL, which means that it will not bend as easily under strong winds or if the structure needs to be moved. The ALUZINC was also less expensive than the aluminum roofing. Second, the offer made by TUBETRA-ZAIRE was significantly lower in price than the offer made by MOBIMETAL, when all factors were considered equal (Annex 7).**

The procedures outlined below were established with the consultant, TUBETRA-ZAIRE, and the USAID/Zaire engineering advisor. The USAID/Zaire engineer will first approve the engineering designs for the hangar and foundation. Upon approval of the designs, TUBETRA-ZAIRE will begin fabricating the hangar. Meanwhile, PROCAR will begin site preparations and

place materials for building the foundation (sand, cement, and gravel) at the hangar site. TUBETRA-ZAIRE will send to PK/MS a civil engineer (upon PROCAR's request) to supervise the building of the foundation. Capitale Associates will arrange the shipment of the hangar to PK/MS upon completion of the structure by TUBETRA-ZAIRE. Finally, TUBETRA-ZAIRE will send a team of approximately six workers to assemble the hangar once all hangar components have arrived in PK/MS. (PROCAR will assume all food, lodging, travel, and medical expenses incurred by TUBETRA-ZAIRE workers during the implementation program.)

2. Paratonnerre (lightning rods)

The Societe Generale D'Entreprise D'Electricite (SGEE) provided PROCAR with a cost estimate for the purchase and installation of a lightning protection system (Annex 7)**. The price quoted by SGEE was 6,081,906 zaires, which seems expensive relative to the price of the hangar. The consultant asked the USAID/Zaire engineering advisor to review the need for this system. A second price quote should be requested at INSTALECT, or any other supplier, before a purchasing decision is made.

3. Water Cistern

A price quote for a 5m wide, 10m long, and 2.46m deep poly/vinyl "liner" (water cistern) was provided by Industrial Production in Kinshasa (Annex 7)**. This water cistern will hold approximately 120 cubic meters of rain water collected by the hangar's gutter system. The cost of approximately 1,546,000 zaires seems reasonable given the short delay in manufacturing (three days) and the ease of installing the system.

4. Containers

Two containers were obtained from Project 098. Both will be transported to the Petit-Kasai market site.

ACKNOWLEDGEMENTS

The consultant extends his thanks to the staffs at Pragma, USAID/Zaire, PROCAR/Kikwit, and BSU/Kikwit. Thanks go to Pragma for affording me the opportunity to conduct this consultancy; USAID/Zaire for sponsoring what I considered a challenging and rewarding experience; PROCAR/Kikwit for the logistical support required to conduct my work efficiently; and BSU/Kikwit for attending to my food and housing needs despite an awkward schedule.

Special thanks go to Carol Felkel, ARD/USAID, Project Officer (102); Tony Vaughan, Administrative Specialist (PROCAR); Wendy Weidner and Lynette Johnson, Research and Information Specialists (PROCAR); Cam Burns, Director of INTERWOOD/Kikwit; Nga-Ambun Kabwasa, Chief of Party (PRAGMA); Baumbu Nkoy, Project Director (PROCAR); Kilek Gerd, Marketing Division Chief (PROCAR); Nahimana Sahobo, Project Counselor (TechnoServe); Ed Noyes, Technical Director (Centre Agricole de Lusekele); Kayumba, Driver and Artist (PROCAR); and Lumengu, Kapita/Petit-Kasai. Their help, guidance, and moral support made this consultancy a truly enjoyable experience.

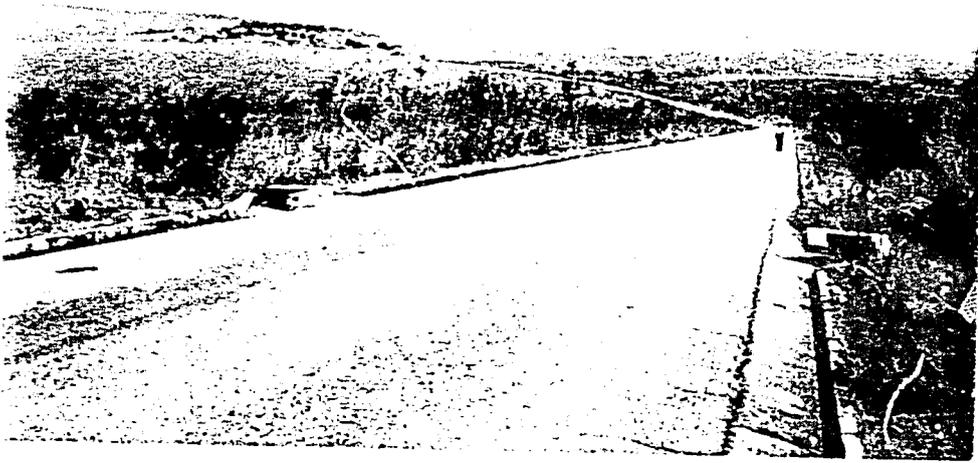
"From a behavior perspective, marketing can be viewed as a technology that seeks solutions to practical problems."

LIST OF PHOTOGRAPHS

1. National Route #1 entering Petit-Kasai village from Kikwit -- The Petit-Kasai market site (PK/MS) is located on the north side of the paved road just prior to the first village structure.
2. Periodic market held in the village of Puto Bongo -- Puto Bongo is located in the CAL project area in the collectivity near the Petit-Kasai market site. A number of such periodic markets can be associated with the PK/MS for both buying and selling goods.
3. Project area villagers selling rauwolfia (mpusu) to local traders at Puto Bongo -- The traders export this tree bark to Europe where it is refined into cardiac medicine. Local periodic markets are bulking centers for such agricultural goods as rauwolfia, palm kernels, palm oil, and manioc. Village producers/traders transport to market, usually on their heads, about twenty-five kilograms of goods for sale, then they buy basic manufactured goods to meet household needs.
4. Fifty gallon drums of palm oil are being filled by traders who have purchased the oil from village producers.
5. A view of the Kinbenge market -- The market is located about seven kilometers from the PK/MS. Its central area is filled with women and the manioc they have carried to market for sale. Itinerant traders travelling on bicycles have set up market stalls around the market to sell manufactured goods, dried fish, and salt to the women after they sell their manioc.

6. Mr. Kibwila leads the local women (producers/traders) in a song praising the government and the rewards of hard work -- Mr. Kibwila is the Animateur Rural de Masungu (that is, market supervisor), who ensures that the proper units of measure are used in market sales, records all sales statistics, and collects market taxes for the local government. When the song is finished, a whistle is blown and buyers scramble to purchase as much manioc as they can. These buyers will resell the manioc to truckers or rent space on a truck and sell the manioc in Kinshasa themselves.
7. Partially constructed storage building at Ekubi -- This storage depot, which was constructed cooperatively by PROCAR and CEAE of Ekubi, will serve as a storage and processing center for the cooperative's producers.
8. Steel whale boat -- Such boats used to be a common sight on many of the rivers in the project area, providing an economical means of transporting goods and people to and from the market places along the rivers of Zaire. Today, most river transport is by wooden canoes that cannot carry the tonnage or go the distances of the motor-powered whale boats.

1



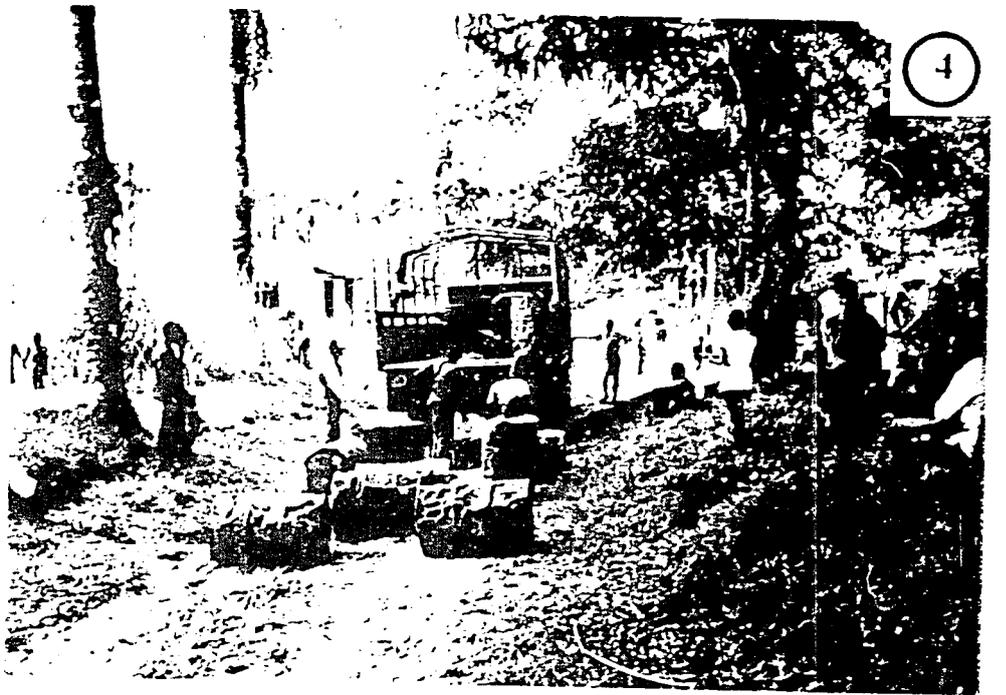
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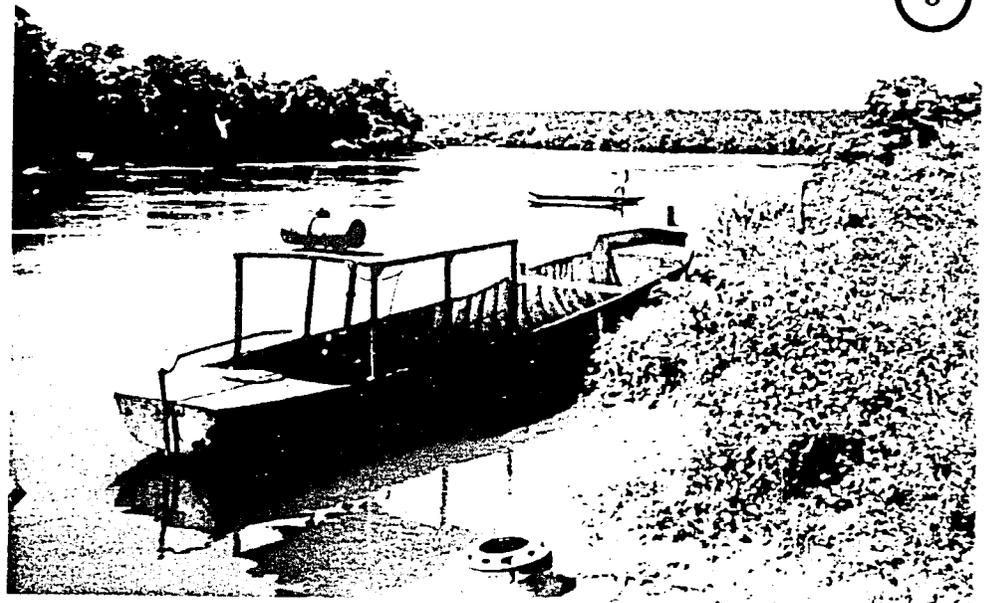
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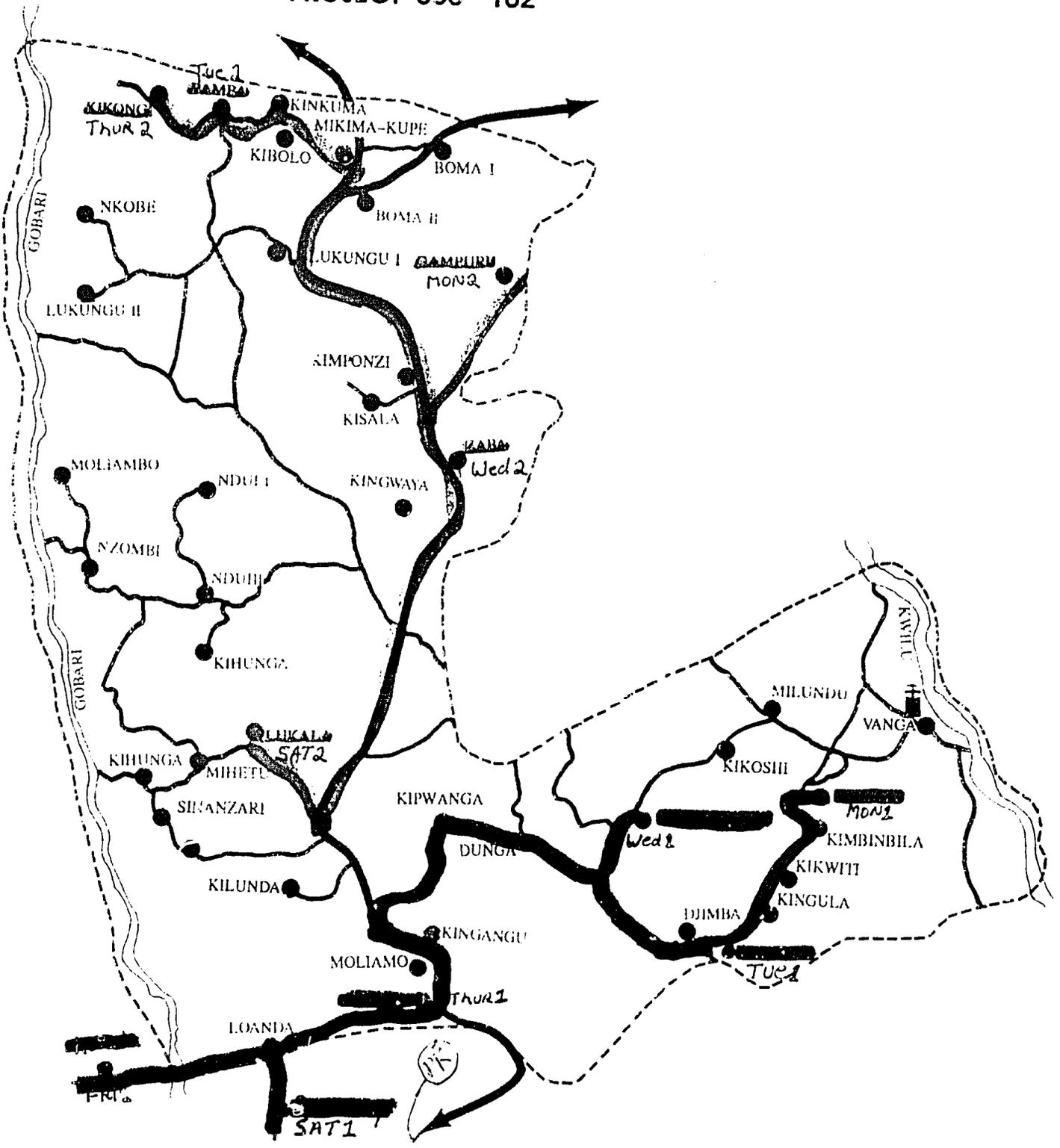


ANNEX 1

Periodic Markets In Kilunda Collectivity
and
Market Domains In The Project Area

COLLECTIVITE DE KILUNDA

PROJECT 650 - 102



ANNEX 2

Office Building Plans For Petaluma-Kasai Market Site
and
Office Building Sample Budget

ERRASASSEMENT

Ramblais
Deblais
Nivellement

UNITE	QUANTITE	PRIX-UNIT	PRIX-TOTAL
Jour	2	500	1,000
Jour	2	500	1,000
Jour	4	500	2,000

4,000

FONDATION

Sable
Moellons
Ciment dose 300kg
Blocs de 20cm
Ciment de Fabric.
Ciment de Constr.

Cam7ton	5	2,500	12,500
Cam7ton	3	6,000	18,000
Sacs	14	6,300	88,200
Pieces	600		0
Sacs	22	6,300	138,600
Sacs	8	6,300	50,400

307,700

MUR D'ELEVATION

Sable
Nobre. Blocs 15cm
Ciment de Fabric.
Ciment de Constr.
Ciment divers

Cam7ton			0
Pieces	3300		0
Sacs	89	6,300	560,700
Sacs	20	6,300	126,000
Sacs	10	6,300	63,000

749,700

EINTURAGE

Graviers
Sable
Ciment dose 300kg
Bois de Coffrage
Clous de 7cm
Barres de Fer6mm
Barres de Fer8mm
Claustras

Cam7ton	1	5,000	5,000
Cam7ton	1	2,500	2,500
Sacs	13	3,500	45,500
Pieces	8	2,500	20,000
Kg	3	1,650	4,950
Pieces	20	2,800	56,000
Pieces	12	4,000	48,000
Pieces	120	150	18,000

199,950

1,257,350

PITURE

Madriers
Chevrons 4x0,07,7
Clous de Toles
Clous 12, 10, 8cm
Toles Galvanis

Pieces	60	3,500	210,000
Pieces	70	2,500	175,000
Kg	30	4,000	120,000
Kg	25	2,250	56,250
Pieces	167	3,000	501,000

1,062,250

AFONAGE

Chevrons 4x0,07,7
Eternits
Lattes couv.joint
Clous 10, 8, 6cm

Pieces	58	2,500	145,000
Pieces	86	2,250	193,500
Bottes	3	2,500	7,500
Kg	20	2,000	40,000

386,000

MENUISERIE

Portes double
Portes simple
Fenetre en bois

Pieces	1	56,000	56,000
Pieces	4	25,000	100,000
Pieces	7	12,000	84,000
			240,000

PAVEMENT

Ciment

Sacs	20	6,300	126,000
			126,000

PEINTURAGE

Chaux
Couleur en Eau
Couleur en Huile

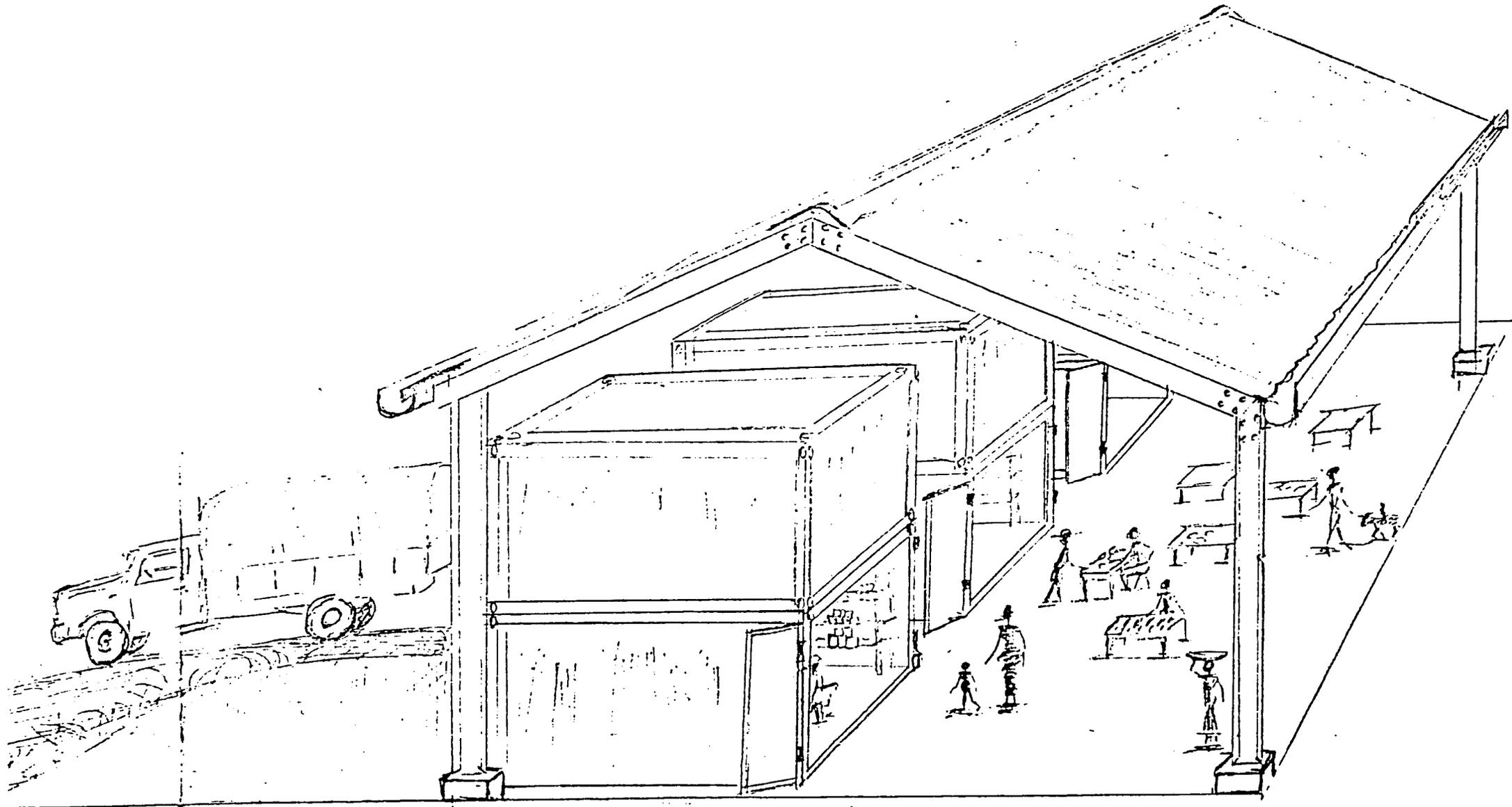
Sacs	1	5,600	5,600
Boite	10	12,000	120,000
Boite	5	28,000	140,000
			265,600

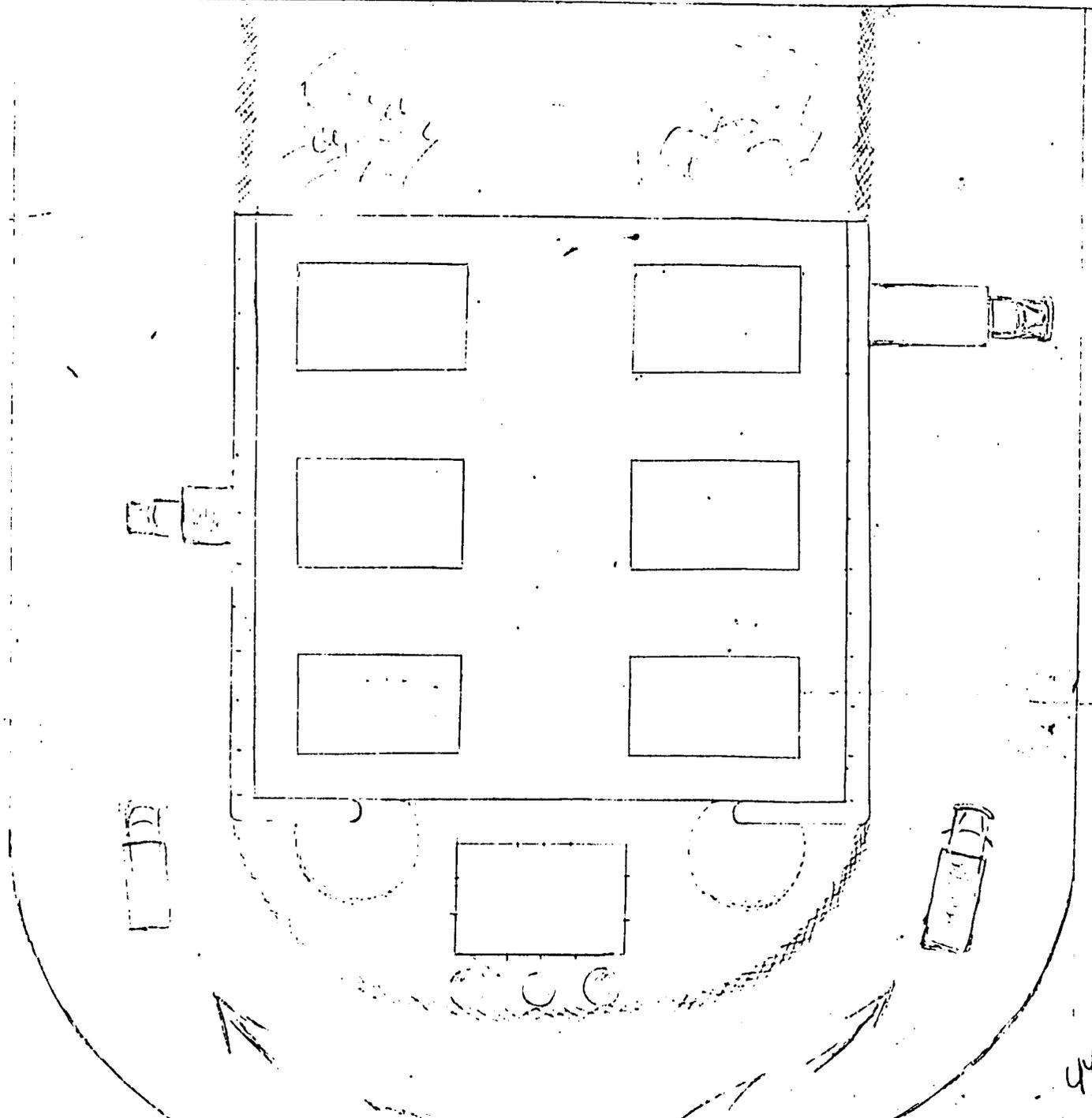
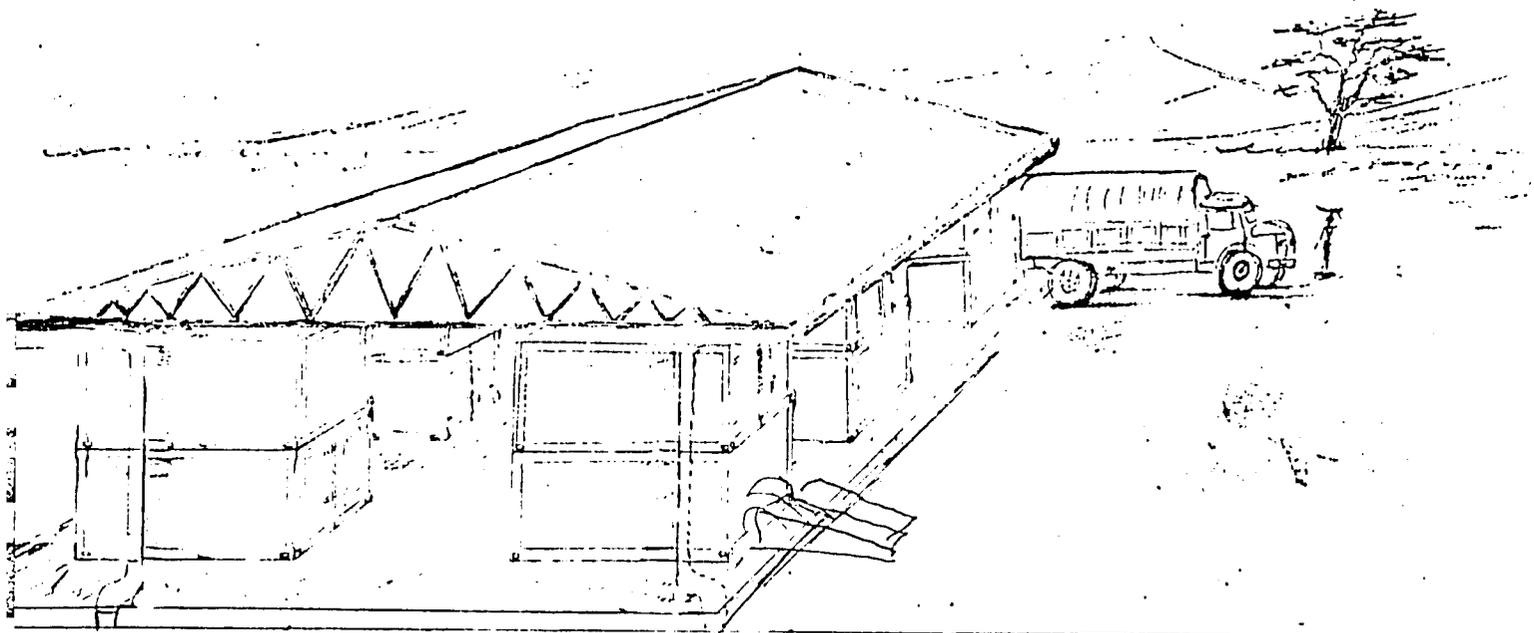
TOTAL	3,337,200
IMPREVU DE 10%	333,720
M.O.Z. DE 15%	500,580
TOTAL	4,171,500

ANNEX 3

Preliminary Market Site Designs

48'





ANNEX 4

Petit-Kasai Market Site WorkSheet

Thomas R. Fattori, Marketing consultant		START	END	ESTIMATE	
1. Site development					
1.1. Land ownership					
1.1.1. Papers, (Zone, Collectivite, Village)	X	May 25			
1.1.1.1. See letter # _____ by Nkoy to Zone					
1.1.2. Architect drawing (Cit. Swemy)				65,000	
1.1.2.1. Site location for Zone	X				
1.1.2.2. Approximate area 2 hectares (100 X 200m)	X				
1.1.3. See report Kibwasa/Fattori on local personalities	X	May 19			
1.1.4. See notes Kabwasa/Fattori on Chef de terre	X	June 6			
1.1.4.1. Land compensation (discuss w/USAID/GOZ)	X	June 13			
1.1.4.2. Customary formalities (See list)	X	June 13		125,000	Cloth,cigs,machete,beer,cup,blanket,cash,matches
					190,000
1.2. Site preparation					
1.2.1. Contract site preparation					
1.2.2. Site clearing and leveling				25,000	
1.2.2.1. Village participation	X	July			
1.2.2.2. Front-end loader Office des Route?	X	July 9			
1.2.3. Road access (truck and foot)					
1.2.4. Foundation locations and forms					
1.2.5. Labor, resource and time estimates					25,000
2. Material Purchases and Storage in Kinshasa					
2.1. Containers					
2.1.1. Purchase price and location				7,200,000	
2.1.2. Transport to Petite-Kasai from KIN					
2.1.3. Repairs (welding)					
2.1.4. Paint with rust resistant paint					
2.1.5. Label with ID number, AID logo, PROCAR					
2.1.6. Wooden skids to cover floor area					
2.1.7. Build wooden shelves for storage					
2.1.8. Build wooden racks for 50gal drum storage					
					7,200,000
2.2. Roof structure (TUBETRA-ZAIRE)					
2.2.1. Charpente (18m X 20m)				13,237,764	
2.2.2. Chenes (gutters)				1,400,000	
2.2.3. Foundation (8 M3)				600,000	
2.2.4. Transport KIN to PK				1,000,000	
2.2.5. Drainage system to cisterns (20m)				500,000	
					16,737,764
2.3. Office building					
2.3.1. Discuss w/USAID acquis. of existing structure				1,500,000	
2.3.1.1. Cit. Muwanqi in PK					
2.3.2. Materials purchased to finish office					
2.3.2.1. Cement, wood, roofing, security grills				2,500,000	
2.3.2.1. Labor					
2.3.4. 5kwa generator and electrical accessories					
2.3.5. Light fixtures for office and structure					
2.3.6. Office supplies					
					4,000,000

46

47

2.4. Yard					
2.4.1. Fencing					
2.4.2. Water storage tanks (PVC Liner 6x5x2.2.46)			1,950,000		
2.4.2.1. Cement pool with cover					
2.4.3. Fuel storage tanks				1,950,000	
3. Contract work					
3.1. Architect and engineering designs					
3.1.1. Citoyen Swemy					
3.1.1.1. Site plan					
3.1.1.2. Structure plan					
3.1.1.3. Lightning rods					
3.1.1.4. Office building plans					
3.2. Site preparation					
3.2.1. Possible Office des Route					
3.3. Site development/construction					
3.4. Transport of containers from KIN to site					
4. Management program					
4.1. Site intervention					
4.1.1. PROCAR linkages					
4.1.1.1. Production/Extension					
4.1.1.2. Marketing					
4.1.1.3. Training					
4.1.1.4. Information					
4.1.1.5. WID					
4.1.2. Technoserve contract					
4.1.2.1. Site maintenance ??					
4.1.2.2. Small business training					
4.1.2.2.1. Finance					
4.1.2.2.2. Personnel					
4.1.2.2.3. Administration					
4.1.3. COOPEC contract					
4.1.3.1. Savings deposit facilities ??					
4.1.3.2. Liquidity transfer					
4.1.3.3. Credit					
4.2. Long-Term Site Ownership ????					
4.2.1. Association ?					
4.2.2. Cooperative ?					
5. Market site evaluation					
5.1. Model system analysis					
5.2. Management analysis					
5.3. Impact evaluation					
				30,102,764	

ANNEX 5

Market Information Survey Instrument

ANNEX 6

Petit-Kasai Land Ownership Agreement

ANNEX 7

Pro-Forma Statements For Petit-Kasai Material Purchases



TUBETRA-ZAIRE

SZARL

NUMERO NATIONAL A 03800 F
REGISTRE DE COMMERCE KIN 3.784

18^{ème} RUE B.P. 703 LIMETE
KINSHASA REPUBLIQUE DU ZAIRE
TELEPH. : 77.167 - 77.344 - 78.438 - 78.872
TELEX : 20077 TUBETRA ZR

PROJET U.S.AID/660 - 0102
PROCAR/BANDUNDU
B.P. 262

K I K W I T

BANQUE COMMERC. ZAIROISE 101-0902798-30
UNION ZAIROISE DE BANQUES 201-1747901-08
B.Z.C.E. 301-0020621-41

(REGION DE BANDUNDU)

A L'ATTENTION DE MONSIEUR C. TOBIN VAUGHAN.

VOS REFERENCES

VOTRE LETTRE DU

NOS REFERENCES

KINSHASA, le

TZ/KM/TS/406/90

20 Juin 1990

OBJET :

A1/221/90/6604

Citoyens, Messieurs,

CONCERNE : CHARPENTE METALLIQUE DE 20 X 18 M.

Faisant suite à votre demande de prix pour laquelle nous vous remercions vivement, nous avons l'avantage de vous proposer à nos meilleures conditions générales de vente figurant au verso et à celles particulières qui suivent la fourniture décrite ci-après :

Spécification :

1ère VARIANTE

Livre charpente métallique en treillis tubulaire aux caractéristiques suivantes :

- Longueur : 18,00 m en 3 travées de 6,00 m avec dépassants aux pignons de \pm 0,50 m, soit une longueur totale de 19,00 m.
- Largeur : 20,00 m d'axe en axe des colonnes, avec dépassants aux longs pans de \pm 1,67 m.
- Colonnes : en profilé laminé à chaud, hauteur sous entrain \pm 3,60 m
- Toiture : en deux versants, inclinaison sur l'horizontale de \pm 18° prévue pour recevoir une couverture en Bacs autoportants ALUZINC 5/10 mm.

Il est prévu deux cheneaux latéraux sur toute la longueur du bâtiment avec descente en P.V.C.

Peinture : Il sera appliqué sur toutes les parties métalliques de notre fourniture une couche de peinture anti-rouille.

Prix : pour la fourniture et le montage à Kikwit de la Charpente décrite ci-dessus : 12.998.281,00 Z.

C.C.A. 18 % 2.339.691,00 Z.

15.337.972,00 Z.

Nous disons : QUINZE MILLIONS TROIS CENT TRENTE-SEPT MILLE NEUF CENT SEPTANTE DEUX ZAIRES.

.../...

NOS DIVERSES ACTIVITES

portes et menuiseries métalliques - Châteaux d'eau et réservoirs - Echelles et escaliers - Echafaudages - Usine à tubes en matière plastique - Electrodes spéci-
Tuyaux et accessoires - dérivation d'eau - pompes KSB - ponts roulants DEMAG compteur d'eau FLONIC SCHLUMBE.

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Paielement : 70 % à la commande
Solde avant montage

Délai : -Fabrication : + 2 semaines
-Montage : + 2 semaines

2ème VARIANTE

- Une charpente métallique en portique aux caractéristiques suivantes :
- Longueur identique à la 1ère variante
- Largeur : 20 m d'axe en axe des colonnes, sans dépassants, /m
- Colonnes, en profilé laminé à chaud, hauteur hors tout 6,00 m
- Toiture : identique 1ère variante.

Peinture : Il sera appliqué sur toutes les parties métalliques de notre fourniture une couche de peinture antirouille.

Prix : pour la fourniture et le montage à Kikwit de charpente en portique
soit : 15.237.764,00 Z.
C.C.A. 18 % 2.742.798,00 Z.
17.980.562,00 Z.

Nous disons : DIX-SEPT MILLIONS NEUF CENT QUATRE-VINGT MILLE CINQ CENT SOIXANTE DEUX ZAIRES.

Paielement : 70 % à la commande
Solde avant montage

Délai : 1 1/2 mois

- Réserves :
- La réalisation des massifs de fondations des colonnes métalliques est à votre charge, toutefois, TUBETRA vous fournira les plans.
 - le transport KINSHASA-KIKWIT de la charpente et couverture à votre charge.
 - le transport aller-retour KINSHASA-KIKWIT-KIKWIT de nos monteurs et leur matériel de montage à votre charge.
 - A votre charge aussi, le logement, les soins médicaux de notre équipe.
 - Le chantier doit être équipé d'eau et électricité.

Remarques sur nos prix : Notre prix est basé sur le coût actuel des matières premières, de la main-d'oeuvre et des frais généraux de l'Entreprise. Toute modification à la hausse du coût des matières premières, main-d'oeuvre, Index IRES, cours pratiqués par les banques, entre les taux de référence de l'offre et celui du paiement entraînera la révision du montant facturé. Les acomptes payés à terme convenu ne seront plus révisables. L'application de ces dispositions est tributaire de la formule de révision de prix suivante :

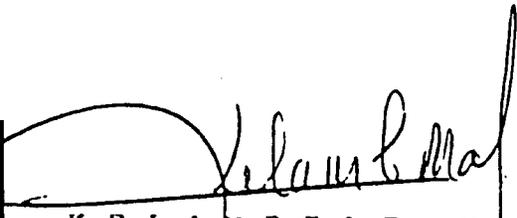
$$P_n = P_o \left(0,70 \frac{S_n}{S_o} + 0,20 \frac{I_n}{I_o} + 0,10 \frac{T_n}{T_o} \right)$$

54

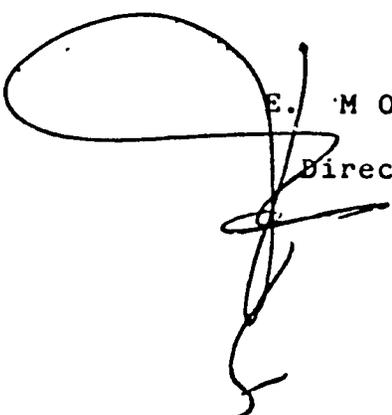
- Po = Prix de l'offre
Pn = Prix actualisé au moment du paiement
Io = Index IRES magasins détails du mois de Mai 90
In = Index IRES magasins détails du mois précédent le paiement
So = Taux de change libre en Zaïre pour 100 FB = 1.658,00 Z.
Sn = taux de change libre en Zaïre pour 100 FB au jour du paiement.
To = Rémunération totale journalière actuelle d'un ouvrier de catégorie III (2) travaillant à TUBETRA, marié, deux enfants, compte tenu de l'indemnité de transport et de logement.
Tn = Rémunération totale journalière au moment du paiement d'un ouvrier de catégorie III (2) travaillant à TUBETRA, marié deux enfants, compte tenu de l'indemnité de transport et de logement.

Toujours dévoués à vos ordres, nous vous prions d'agréer,
Citoyens, Messieurs, nos salutations très distinguées.

TUBETRA-ZAIRE


K E L A M B I L E M.

Chef de département des
Fabrications Métalliques.


E. M O Z A S

Directeur

Kinshasa, le 28 juin 1990

A Monsieur E. MOZAS
Directeur de TUBETRA-ZAIRE
B.P. 703
KINSHASA/LIMETE

Objet: Charpente Métallique de
20 x 18 m-Lettre de Commande

Monsieur le Directeur

Nous avons l'honneur de vous informer que votre offre de prix du 20 juin 1990, variante n° 2 relative à la Charpente Métallique de 20 x 18 m, a bien retenu notre attention. En effet, nous tenons à vous adresser notre commande bien décrite et soumise à des conditions ci-après:

ARTICLE 1: L'Entreprise TUBETRA-ZAIRE, ci-après dénommé Fournisseur, s'engage à exécuter les travaux de la fabrication, fourniture et montage à Kikwit du hangar décrit ci-dessus pour le compte du Projet de Développement de la Production et de Commercialisation Agricole Régionale (PROCAR), ci-après dénommé Client, situé au _____ Avenue _____ N° __, à Kikwit ville, dans la Région de Bandundu.

ARTICLE 2: DESCRIPTION DES TRAVAUX

Les travaux à exécuter comprennent essentiellement l'élaboration des plans du hangar métallique de 20 x 18 m (Détails Fermes, Toiture, et Implantation), le suivi des travaux de construction des souches de fondation par un expert du Fournisseur ainsi que le montage du hangar proprement dit.

ARTICLE 3: DELAI D'EXECUTION

Le délai de la fourniture et le montage du hangar est fixé à 45 jours calendriers et prend cours à la date de la signature de la présente et paiement de l'avance à la commande.

ARTICLE 4: MONTANT DE LA COMMANDE

Le client s'engage à payer au Fournisseur une somme totale de Zaïres quinze million deux cent trente sept mille sept cent soixante quatre (Z, 15.237.764,00).

Etant donné que les projets USAID sont exemptés de toutes les taxes et CCA, le montant ci-dessus est hors toutes les taxes et CCA. Pour cette raison, les documents justificatifs seront fournis au Fournisseur.

ARTICLE 5: MONTANT DE PAIEMENT ET REVISION DES PRIX

Les paiements seront échelonnés de la manière suivante:

- 70 % à la commande soit Z, 10.666.435,00
- 25 % avant le montage soit Z, 3.809.441,00
- 5 % après le montage soit z, 761.888,00

Quant à la révision des prix, la formule de l'offre du Fournisseur sera utilisée en date de la signature de cette lettre de commande.

ARTICLE 6: La fabrication et l'ajustage des éléments du hangar seront conditionnés à l'approbation préalable de ses plans et détails par le PROCAR/USAID.

ARTICLE 7: L'offre du Fournisseur ainsi bien que les plans et détails pour la fabrication et l'ajustage du hangar ci-dessus font partie intégrante de cette lettre de commande.

Il est à noter que le manque de signature du Fournisseur sur ce document rend la lettre de commande nulle et non avenue.

Ainsi fait à Kinshasa _____

LUE ET APPROUVEE PAR:

LUE ET APPROVEE PAR:

Mr. E. MOZAS,
Directeur de TUBETRA-ZAIRE

Mr. NKOYI BAUMBU
Directeur du PROCAR