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**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
BUREAU FOR AFRICA**

**EVALUATION OF THE
AFRICAN OPERATIONS OF THE
FOREIGN INVESTMENT ADVISORY SERVICE
(FIAS)**

January 12, 1993

FINAL REPORT

January 12, 1993

Mr. Richard Solem
Africa Bureau
Agency for International Development
United States Department of State
Washington, D. C. 20500

Dear Mr. Solem:

Subject: Final Report for the Evaluation of the African Operations of the Foreign Investment Advisory Service

We are pleased to present this Final Report for the Evaluation of the Subsaharan Africa operations of the Foreign Investment Advisory Service (FIAS). This Final Report reflects the analysis, interviews and field trips conducted by the Price Waterhouse team for this assignment.

This transmittal letter summarizes the findings and recommendations described in detail in the Final Report.

Scope of the FIAS Evaluation

The Price Waterhouse team was retained under the Financial Services Development Program to evaluate the Subsaharan African operations of FIAS. There were two objectives for this evaluation: First, to assist AID decide whether FIAS funding should be continued, and secondly, if AID funding would continue, recommend the best mode for future FIAS operations in Africa.

This evaluation was not intended to measure the impacts of FIAS. Linkages between FIAS projects and their impacts were not analyzed because direct causality is difficult to establish. Furthermore, various political and economic factors in each African country were beyond the control of FIAS.

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Our approach focussed on evaluating FIAS in its role as outside advisor to African governments. Our evaluation assessed how responsive FIAS was to its clients; whether its costs were reasonable and where improvements could be made.

Effectiveness of FIAS Programs

This first component of the evaluation appraised the quality of FIAS advisory services based on feedback received from its clients. Interviews were conducted with representatives of African governments as well as World Bank officers familiar with FIAS.

Based on the survey conducted, 91% of respondents assessed the quality of FIAS work as medium (29%) to high (62%). From field interviews in Kenya, Malawi and around Washington, the work of FIAS consultants was judged "responsive and thorough as well as focussed and professional". The quality of FIAS work was also considered to be about the same or even better than what may be expected from international consultants, according to 71% of the respondents. The same group did not believe that the same quality can be provided by local consultants.

And as an acid test measure of how clients liked FIAS services, 82% of respondents would invite them back. These findings were consistent across the three respondent groups: African governments, World Bank and AID field mission officers.

In summary, FIAS received fairly high marks for quality and effectiveness. 85% of respondents judged FIAS services to useful and beneficial.

Cost Efficiency of FIAS Operations

The second component for this FIAS evaluation analyzed the operating expenses of FIAS against its mix of projects; how FIAS costs compared against other firms and overall administrative efficiency.

Over the five year period 1988 to 1992, FIAS has incurred about \$14 million to conduct its projects in Africa, Asia, Latin America and other areas. Subsaharan Africa has accounted for about 40% of all projects. With the growth of projects, FIAS expenses have grown, with staff salaries and consultant charges the two fastest cost categories, growing 34% at an annual compounded growth rate.

FIAS leverages its compliment of 12 managers and officers with a panel of about 30 outside consultants, who are all deployed across the different regions. This is beneficial

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as the effective daily billing rate of senior FIAS staff is about \$1,200 per day; FIAS leverages this relatively high rate by deploying more outside consultants, whose daily billing rate is about \$500 per day. In effect, the majority of FIAS consulting hours are provided by outside consultants. In contrast, the average billing rate for "Big 6" firm is about \$1,000 per day.

The composite multiplier¹ resulting from the combined FIAS senior staff and outside consultant is fairly reasonable, at about 2.6X. In comparison, the multiplier for a "Big 6" firm averages about 2.5X, while a small "8A" firm has a 2.2X multiplier, where overhead, G & A costs and fringe benefits tend to be lower.

The major difference between FIAS and an AID IQC operation would be the higher travel allowances at 48% of professional fees as against 20 to 25% for a "Big 6" firm. The short, frequent and first class nature of FIAS travel drives the higher travel allowances.

In our analysis of FIAS operating expenses, we did not uncover any hidden subsidies from the World Bank. FIAS paid in full for every service received from the World Bank, such as rent, telecommunications and other overhead costs. FIAS does benefit from its access to the World Bank network and shared research. Indeed, FIAS benefits from the cachet operating under the World Bank umbrella.

Where the Price Waterhouse team found opportunities for significant improvements was in project cost monitoring. Financial accounting and reporting practices are sloppy. Level of effort in terms of man hours are difficult to track for each project and for each country.

Summary of Recommendations

Our recommendations fall along the two components of the FIAS evaluation. For program effectiveness, we recommend continued AID funding for FIAS. FIAS goals fit AID program directions in Africa. FIAS assistance can be expected to be high quality and responsive. With the trend toward more implementation assistance, funding will become critical.

To justify continued funding, the new emphasis should be on results. In our analysis, we could not identify a single success story for a FIAS country. We believe FIAS should

¹ Standard methodology was used to calculate multiplier rates matching an average DCAA audited rates for Big 6 and 8A Firms.

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target two or three candidate countries as potential success stories and assign higher priority for funding.

A formal programmatic approach to resource allocation should be adopted. Prior to the beginning of a fiscal year, FIAS should request client governments to submit project proposals for FIAS funding. FIAS should review these proposals, make selections and then award grants. These will reduce the random nature of FIAS activities during the year, and donor agencies can take comfort that funds are being deployed properly and effectively.

The demand-driven mode should be maintained. Countries should be made to compete for funding, based on their commitment in terms of matched funding and the real potential for results. A two-tier approach should be established. Tier I funding should be reserved for those poorest African countries, to be used to continue to provide a minimum investment promotion package, at no cost, similar to today. Tier II funding should allow larger grants to more committed countries who provide a certain level of match funding.

FIAS should consider a regionally based IQC type operation where a small team of consultants are based in an African country targeted as a candidate success story. This will correct the current "parachuting in" modus operandi; making FIAS consultants closer and even more responsive to client needs. One member of the team can be assigned to develop and implement a project and country reporting system to monitor budgets and results. Another advantage of this IQC operation is that flexibility can be retained for follow-on options. At the end of the IQC period, donor agencies could decide to continue, terminate or make changes to the project depending on the results.

Finally, FIAS should implement cost-saving and cost-accounting measures. There appears some double counting on the trust fund administration. First class travel should be discontinued, and AID travel practices should be adopted. Regional conferences and training workshops should be held in Africa, rather than in Paris or Washington.

To monitor project and country costs and results, a PC-based system should be designed and installed. We believe that a simple system comparable to what consulting firms use to track projects can be adopted to FIAS. This interim system can be used by FIAS while the overall World Bank system is being modernized and upgraded. We strongly believe that this improvement becomes necessary and important as the volume of FIAS projects increases in volume and dollars.

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In closing, we enjoyed performing this FIAS evaluation. We appreciate the assistance extended to us by Mr. Martin Hartigan and the FIAS staff, as well the guidance and suggestions that you and AID staff have provided.

Price Waterhouse fully appreciates the opportunity to be retained to conduct this assignment. If we could be of further assistance, please do not hesitate to contact Mr. Richard Breen, FSDP Director, or Mr. Alberto G. Lapuz, FIAS Evaluation Project Director at telephone (202) 296-0800.

Sincerely,

Price Waterhouse

cc: Richard Breen, FSDP Director, PW
Alberto G. Lapuz, FIAS Evaluation Project Director, PW
Barbara Friday, FSDP Deputy Director, PW

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Final Report

FIAS EVALUATION

January 8, 1993
Washington, D.C.

International Consulting Services

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FIAS Proc. 12/92 Part 1
NTL IPG Cls

Price Waterhouse



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I. Scope of Work

Price Waterhouse was Retained to Evaluate FIAS

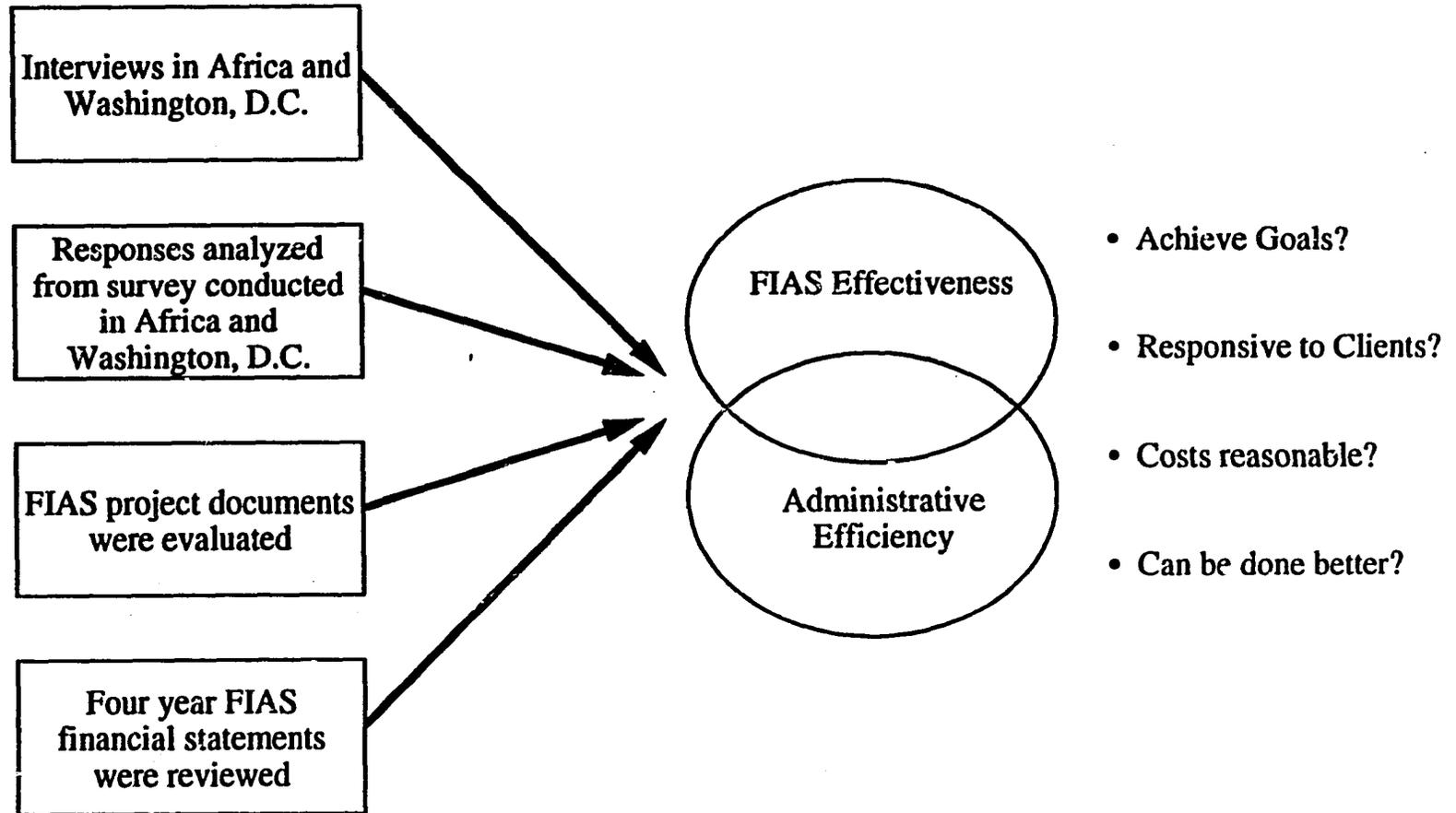
Twin Objectives for FIAS Sub-Saharan Evaluation

1 Assist AID to decide whether FIAS funding should continue

2 Recommend best mode for FIAS operations

Four Main Approaches Were Used for FIAS Evaluation

Evaluation Methodology



Appendix provides details on methodology

Our Evaluation Did Not Focus On Measuring the Impacts of FIAS

- Linkages between FIAS projects and their impacts were not analyzed
 - Direct causality is difficult to establish
 - Various political and economic factors in each African country were beyond FIAS's control
- Price Waterhouse focused on evaluating FIAS in its role as outside advisor to African governments
 - How responsive was FIAS to its clients?
 - Were its costs reasonable?
 - What improvements can be made?

II. Background

Role of FIAS

- "Help governments to review and adjust policies, regulations and investment promotion strategies that affect foreign investment.
- Advise on procedures for the promotion, appraisal, approval and monitoring of direct foreign investment activities.
- Assist requesting governments to attract additional foreign private capital, technology and management into key sectors of a nation's economy."

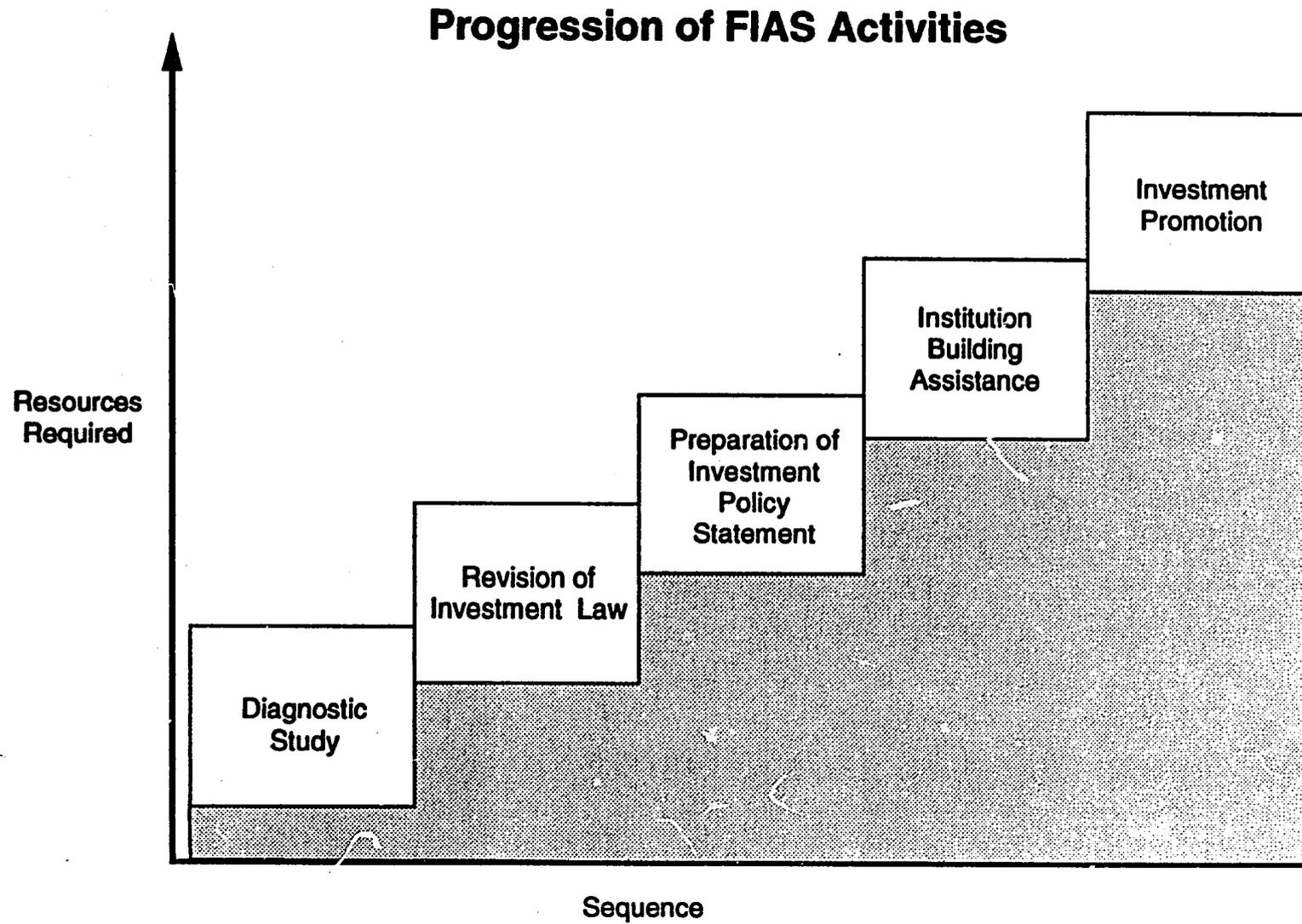
Note: The bulk of FIAS services are provided free; some clients pay for minimal travel expenses.

Source: FIAS Brochure, 1989.

Main Activities

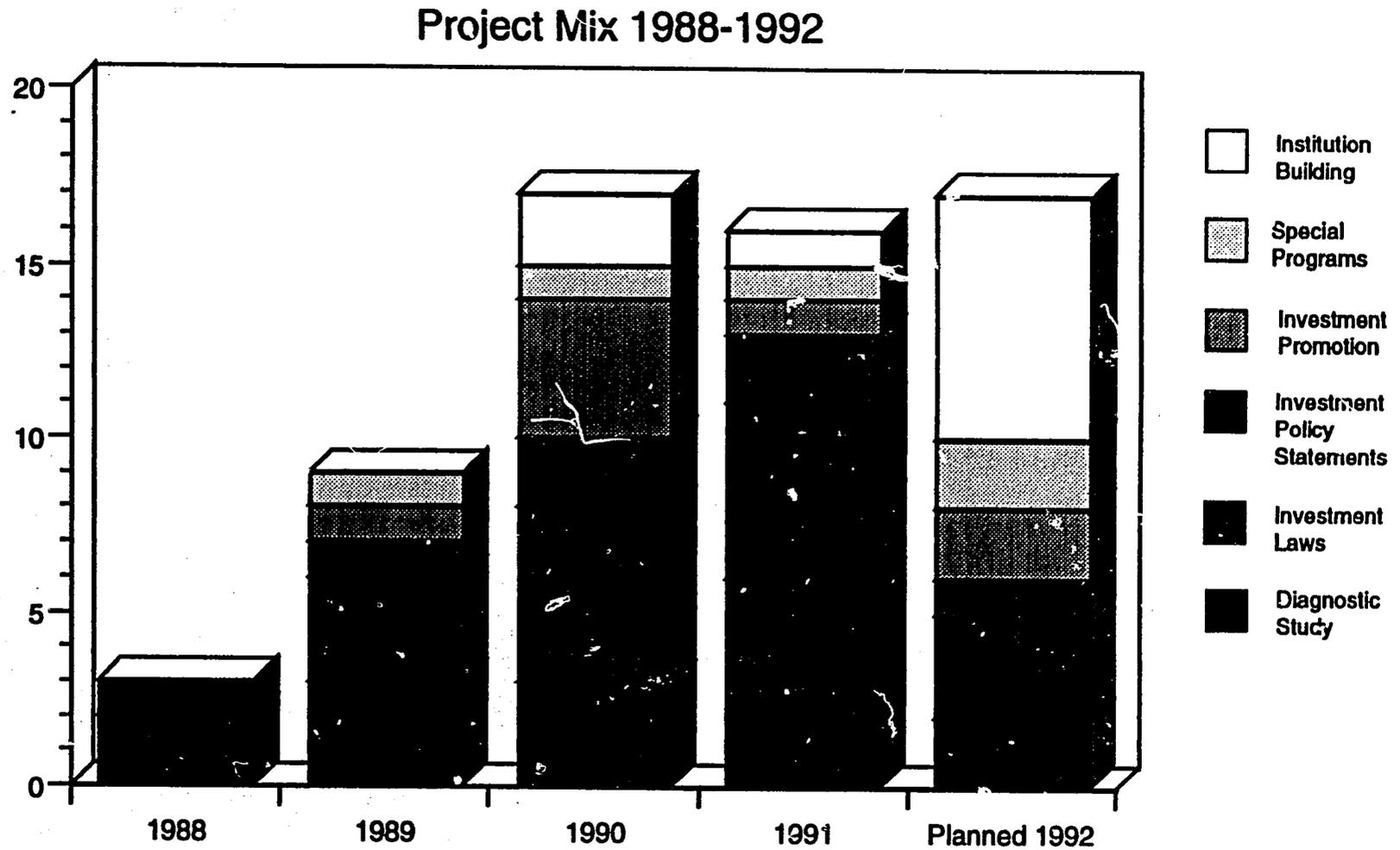
Diagnostic Study	Review and analysis of investment climate
Investment Laws	Review of investment laws and regulations, assistance with enabling legislation
Investment Policy Statements	Preparation of draft investment policy statements
Investment Promotion	Formulation of promotion strategies, strategic plans for investment promotion institutions
Special Programs	Debt/equity swap programs, backward linkages program, foreign exchange regime reform
Institution Building	Study tours, MIS installation and training, other TA

Typical Project Cycle



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Main Activities - FIAS Has Concentrated on Diagnostic Studies and Assistance with Investment Laws

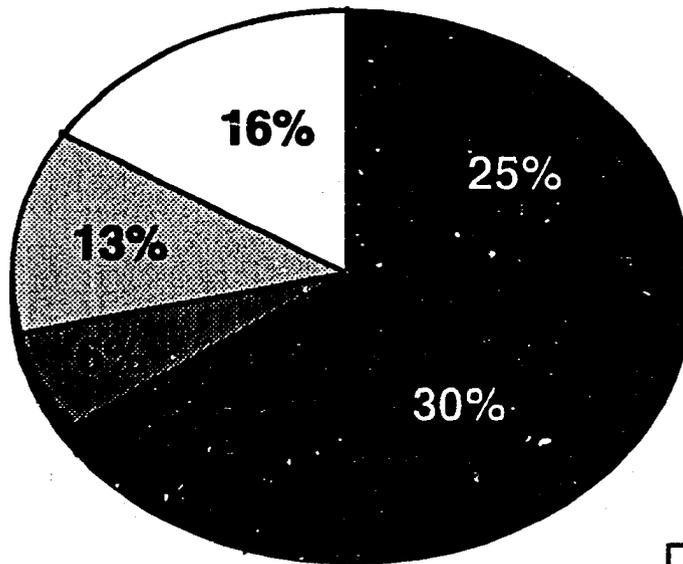


Source: Proposed FIAS Program in Sub-Saharan Africa CYs 1992-1996, Table 2.

Project Mix

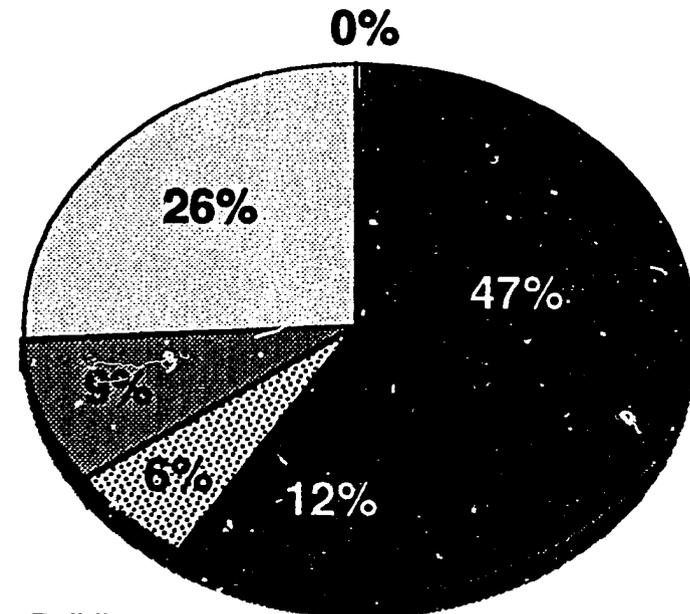
Project Distribution by Type (1988-1992)

Total = 63 Projects Completed,
Underway or Planned



Distribution of Operating Costs (1988-1992)

Total = \$14 million (through October 1992)



- Institution Building
- Investment Promotion
- Special Programs
- Policy Statement
- Investment Laws
- Diagnostic

Source: Proposed FIAS Program in Sub-Saharan Africa CYs 1992-1996, Table 2

Client Mix

African Governments

- Ministries of Finance
- Investment Promotion Agency

World Bank Group

- Country officers
- Economists

Funding has been shared among several agencies

- World Bank Group - 34%
 - IFC
 - MIGA
 - IBRD
 - Clients
- Trust Fund - 25%
- UNDP - 22%
- USAID - 18%

Source: 1991 FIAS Annual Report.

III. Program Effectiveness

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Program Effectiveness

Scope of Analysis

- How do Clients Rate the Quality of FIAS Services?
- Is FIAS Assistance Useful and Beneficial? (Are Advisory Goals Achieved?)
- Are there Benefits to Being Affiliated with the World Bank Group?
- What Is the Best Mode for FIAS Operations?

Methodology

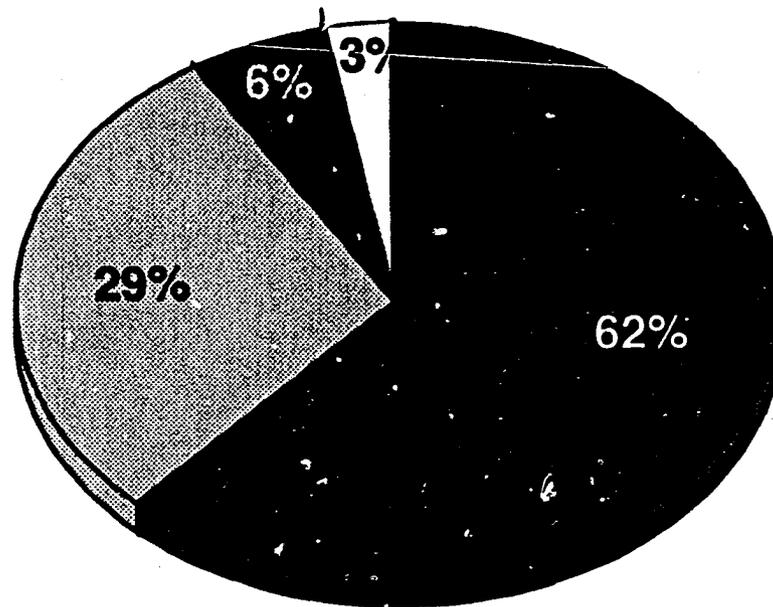
- Interviews with 24 People
 - Host country officials (13)
 - World Bank/IFC/MIGA (6)
 - USAID (5)

- Surveys sent to 68 clients (World Bank Group, African Governments and USAID)
 - 63% replied
 - 34 completed surveys *
 - 9 replied that they did not have adequate knowledge of FIAS
 - 37% did not reply

* This includes 6 surveys conducted in person in Kenya & Malawi.

High Quality

"How Would You Rate the Overall Quality of FIAS Services?"



- High
- ▒ Medium
- Low
- No Response

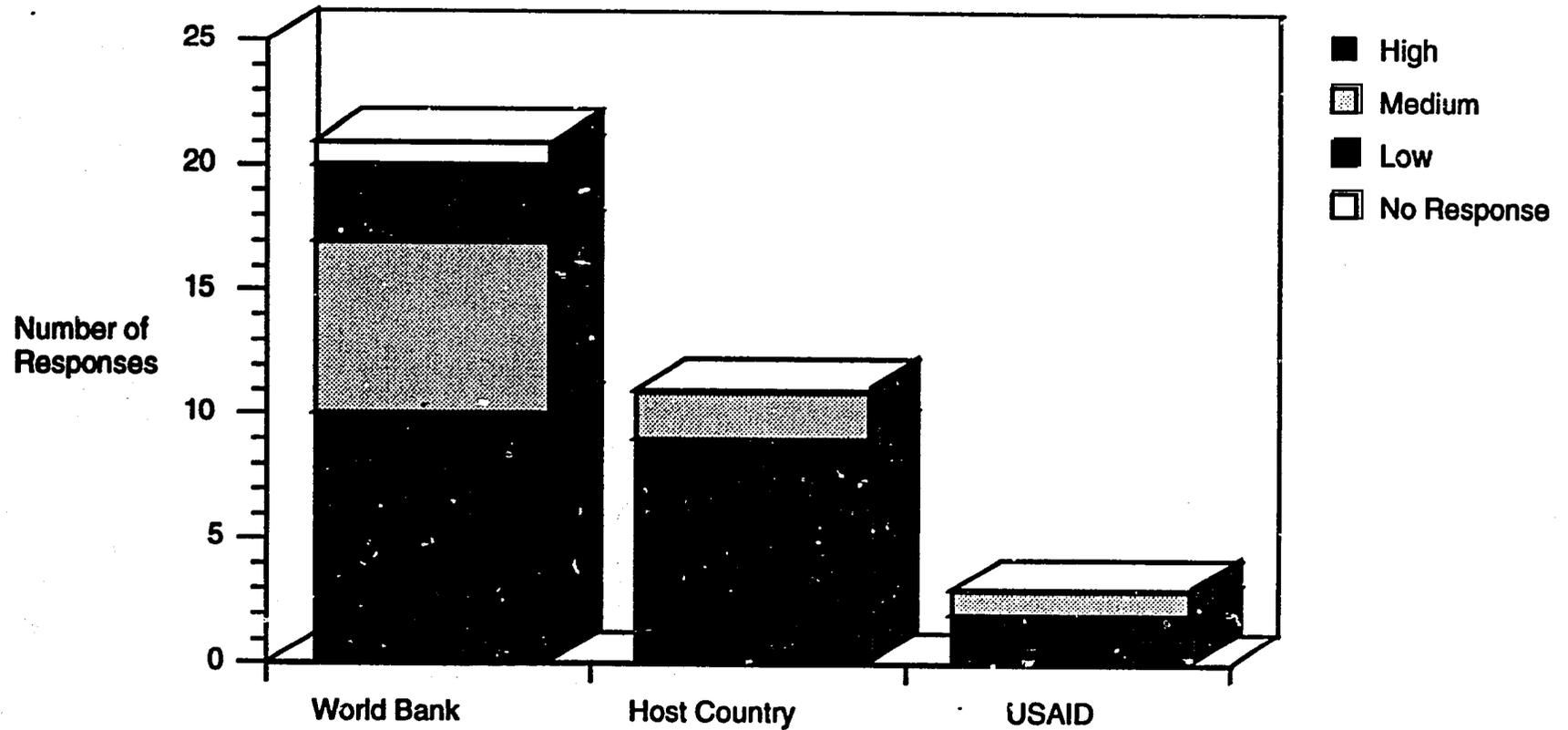
Range of Quotes

- "Responsive and thorough"
- "Focused and professional"
- "Difficult to get timely inputs from FIAS because it was for a small country"

Source: Price Waterhouse Survey, 1992

Perception of Quality Consistent Among Respondents

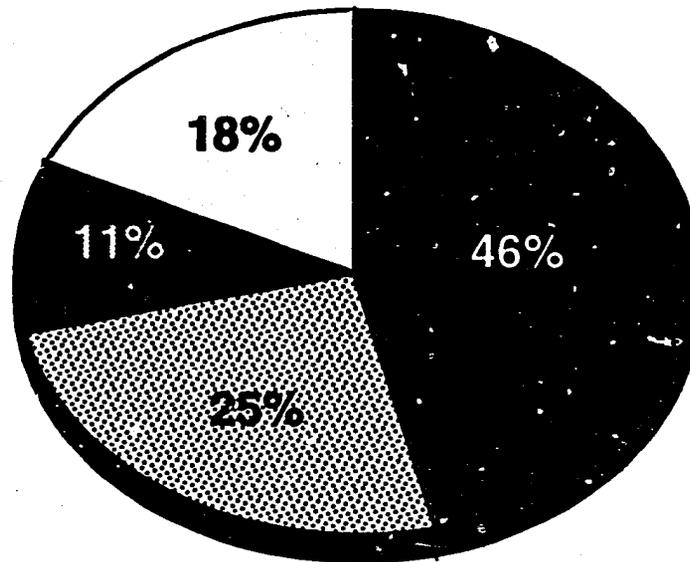
Responses by Survey Group



Source: Price Waterhouse Survey, 1992

Comparable to International Consultants

"How Would You Compare the Quality of FIAS Services to Other International Consultants?"



- Better
- ▨ About the same
- Worse
- Don't Know

Range of Quotes

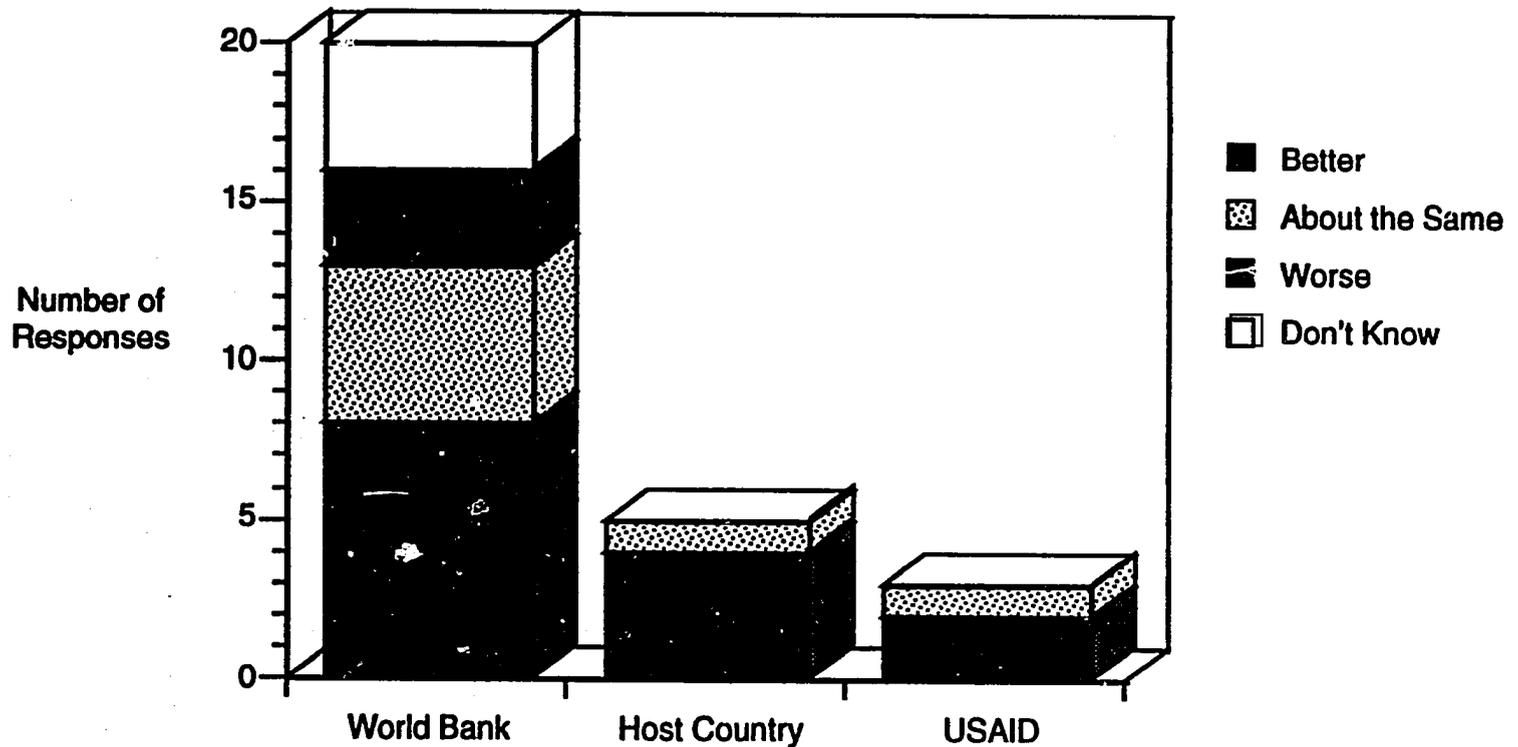
- "Very knowledgeable; good professional level"
- "They work fast and efficiently"
- "Able to apply knowledge acquired from a large number of countries"
- "No better than if an outside consultant were to do the work"

Source: Price Waterhouse survey, 1992

Perception of Quality Fairly Consistent Among Respondents

“How Would You Compare the Quality of FIAS Services to Other International Consultants?”

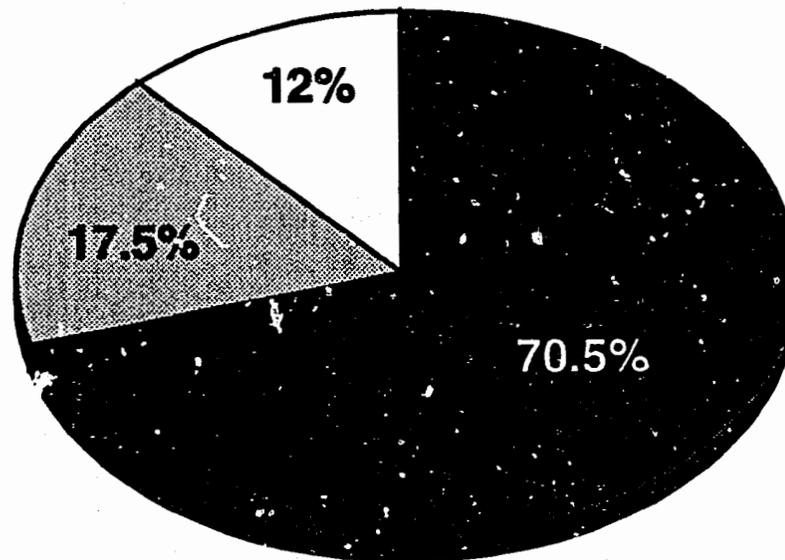
Responses by Survey Group



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Local Consultants Cannot Provide the Same Quality

“For the same FIAS services, in your opinion, are local consultants available and capable?”



■ No
■ Yes
□ Don't know

Range of Quotes

- “No, certainly not with the same depth and breadth.”
- “Depends on the country.”
- “It is not either FIAS or local consultants. The two should work together.”

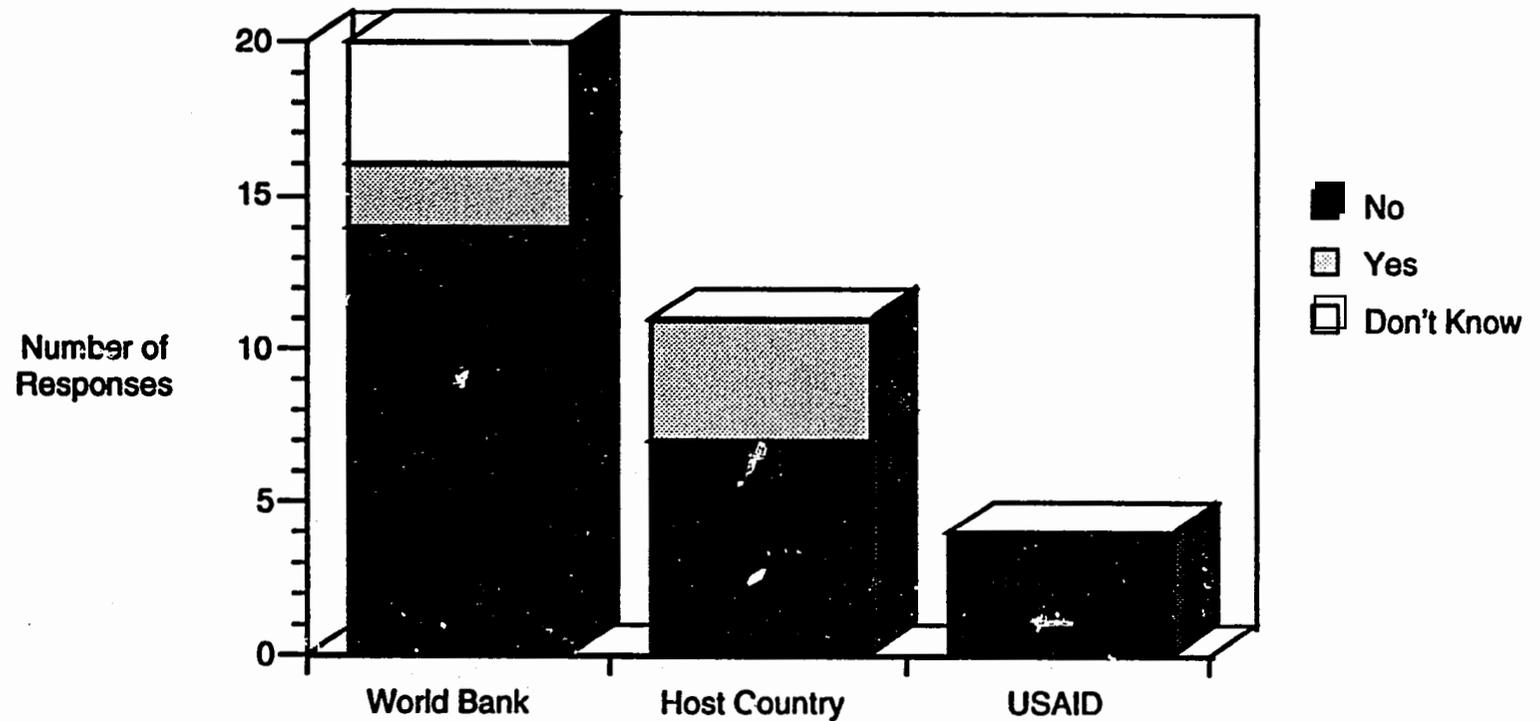
Source: Price Waterhouse survey, 1992.

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Views on Local Consultants Consistent Among Respondents

“For the same FIAS services, in your opinion, are local consultants available and capable?”

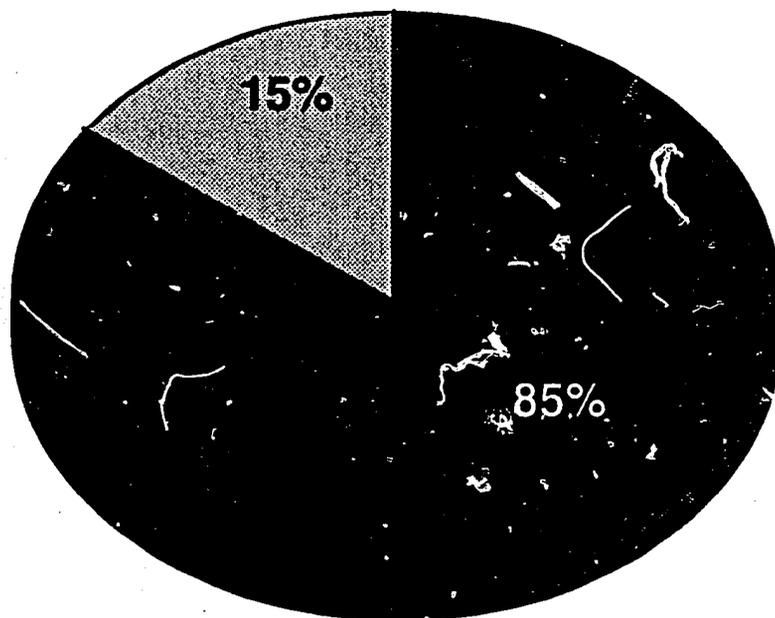
Responses by Survey Group



Source: Price Waterhouse survey, 1992.

Responsive to Clients

"In your opinion, was the FIAS team useful and beneficial?"



■ Yes

▨ No

Range of Quotes

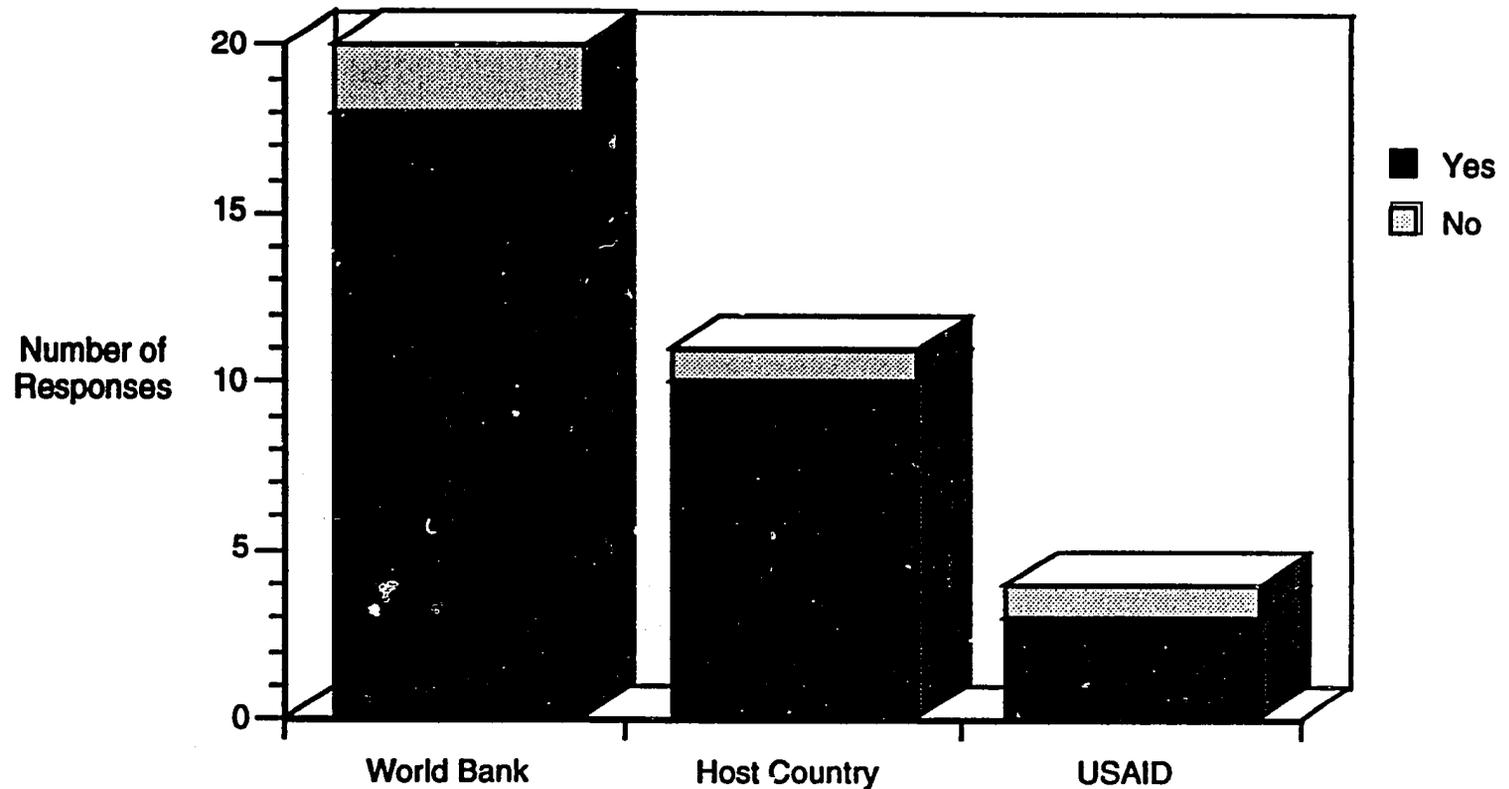
- "They managed to catalyze governments into action."
- "Presented convincing arguments to the Government"
- "Yes, but needed several return visits to help implement proposals. This did not happen."

Source: Price Waterhouse survey, 1992.

Perception Consistent Among Respondents

"In your opinion, was the FIAS team useful and beneficial?"

Responses by Survey Group

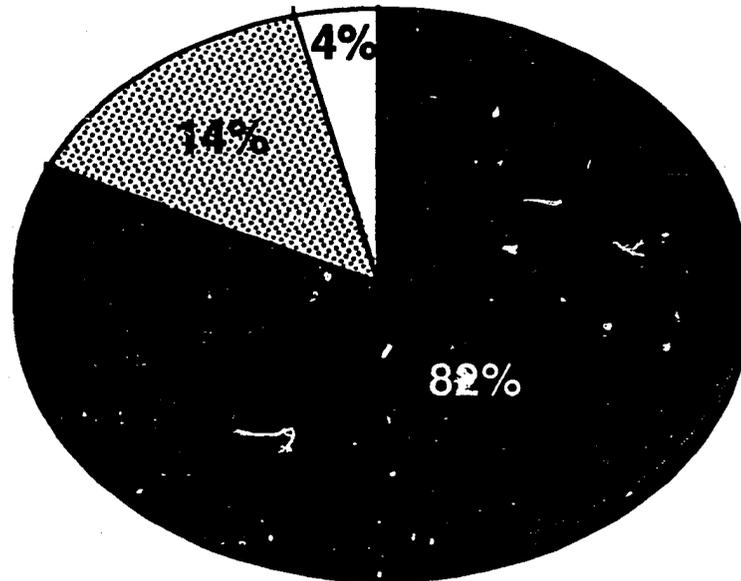


Source: Price Waterhouse survey, 1992.

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Good Enough to Be Invited Back

“Would you retain FIAS for additional projects in the future?”



- Yes
- ▨ No
- No Response

Range of Quotes

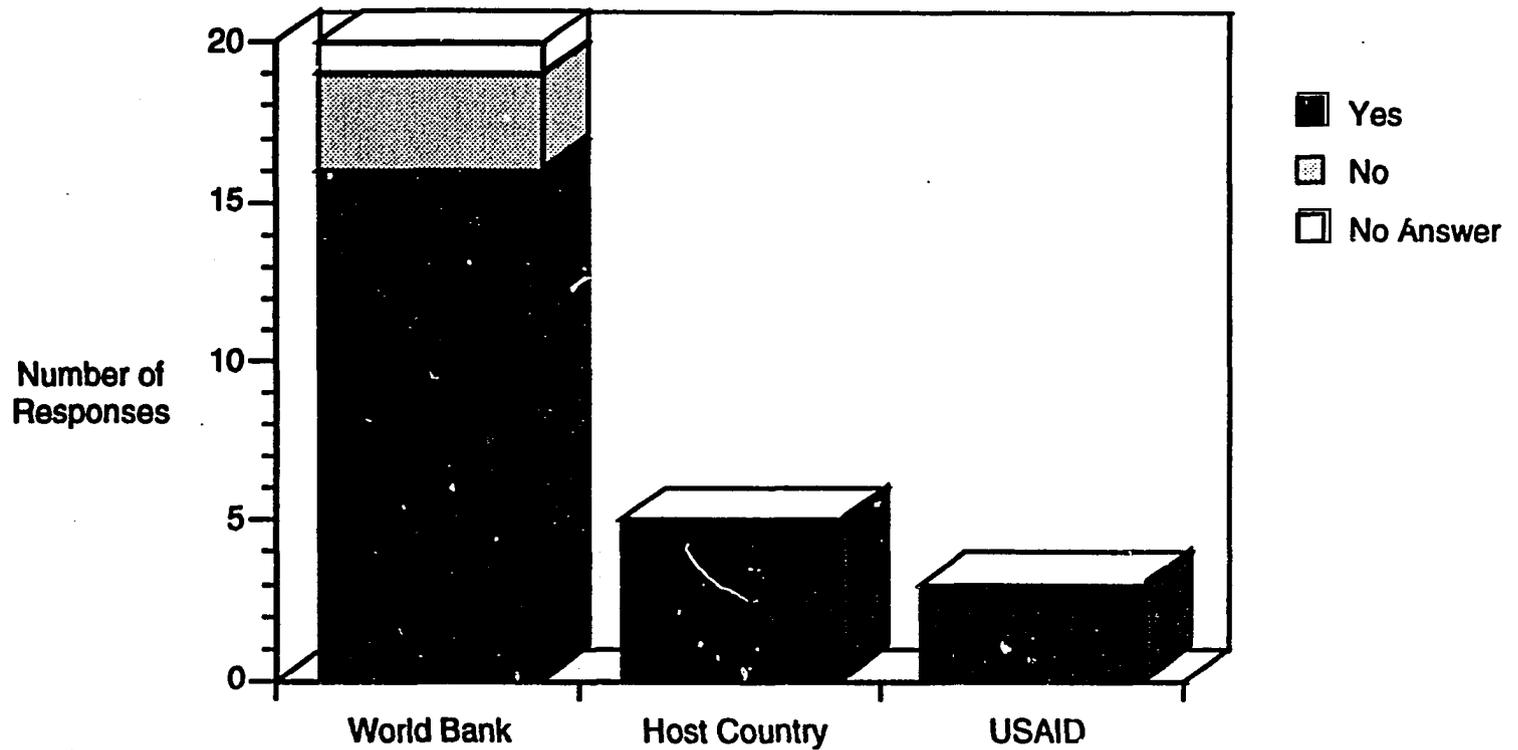
- “Will be working with them on upcoming projects”
- “Cross-country experience is invaluable.”
- “Not ’til I found out the credentials of the individuals assigned.”

Source: Price Waterhouse survey, 1992.

Perception Consistent Among Respondents

“Would you retain FIAS for additional projects in the future?”

Responses by Survey Group



Source: Price Waterhouse survey, 1992.

Results of Survey Confirmed by Interviews with Host Country Officials

Perception of FIAS Consultants

- Valuable source of information on investment promotion efforts in other countries
- Good at getting "inside story" on local political environment
- Adept at facilitating exchange of ideas between government officials
- Careful not to impose ideas
- Sometimes appear to be in hurry to move on.

FIAS Has Had an Impact, but this is Limited by Outside Factors

Malawi Example

- **Enacted Investment Policy Statement and Guidelines**
- **Starting Up Investment Promotion Agency**
- **However, some difficulties have been experienced:**
 - **Government exerting more control over investment process (behind the scenes)**
 - **Access to seaport in neighboring country blocked due to war**
 - **Bilateral donors have suspended aid**
 - **No new Foreign Direct Investment in last 4 years.**

Summary of Conclusions

- From interviews and survey responses, FIAS's effectiveness appears to be good
 - Most people contacted rated FIAS's services as "Medium" to "High"
 - FIAS assistance is widely viewed as useful and beneficial
- FIAS benefits from its affiliation with the World Bank Group
 - Perceptions from field interviews confirm cachet behind World Bank name
 - Outside consultants are better received if under the umbrella of the World Bank
- Local consulting firms can be engaged in the early phases of FIAS's work (i.e., diagnostic studies) but lack FIAS's breadth and depth of knowledge
- However, FIAS needs to improve its modus operandi (discussed in the following chapter)

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IV. Administrative and Cost Efficiency

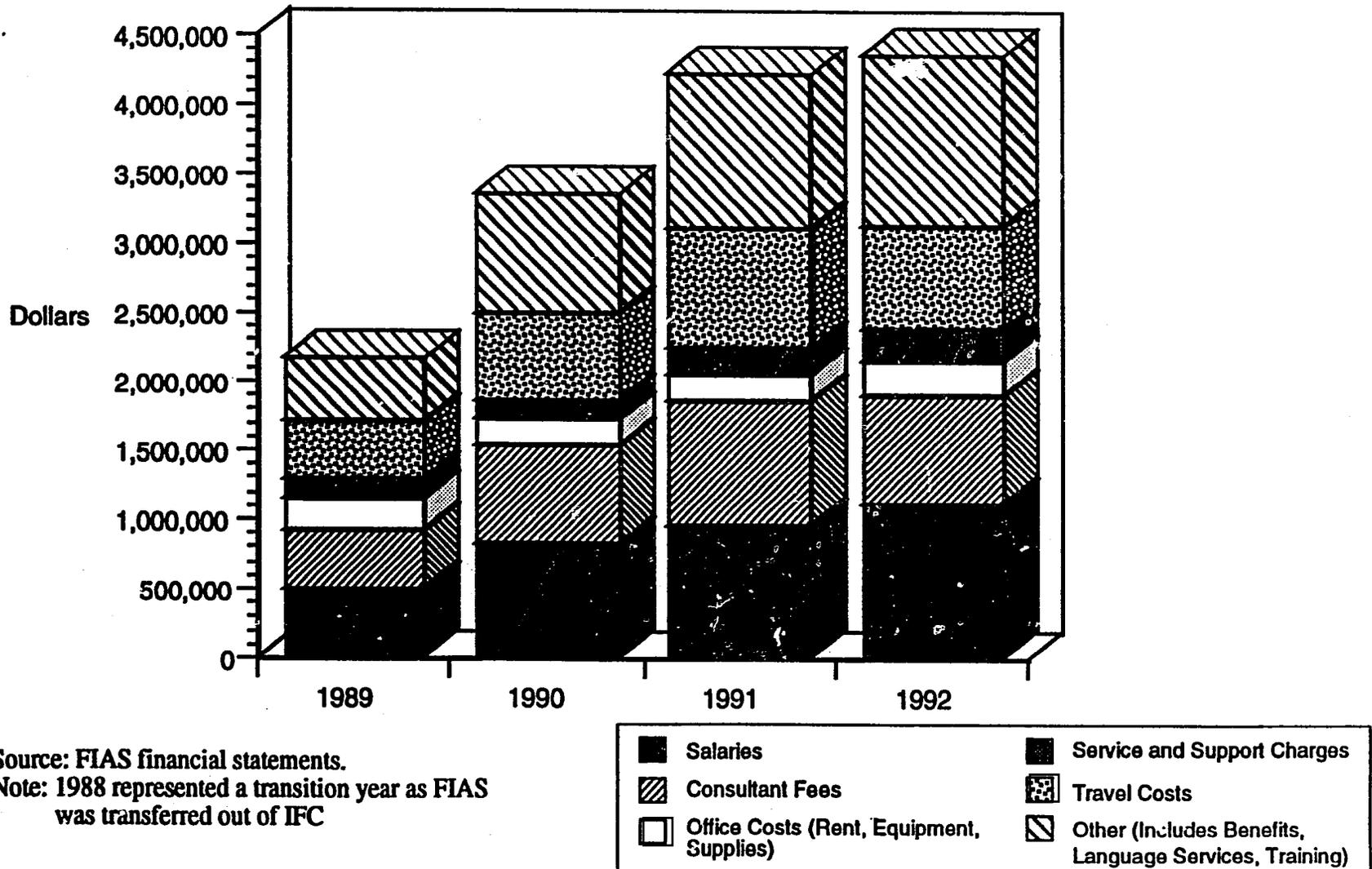
Administrative and Cost Efficiency

Scope of Analysis

- Do FIAS Operating Expenses Reflect Its Mix of Activities?
- Assuming FIAS's services could be provided by other firms, could they be provided more cheaply?
- Does FIAS receive any hidden subsidies?
- Is FIAS administered efficiently?

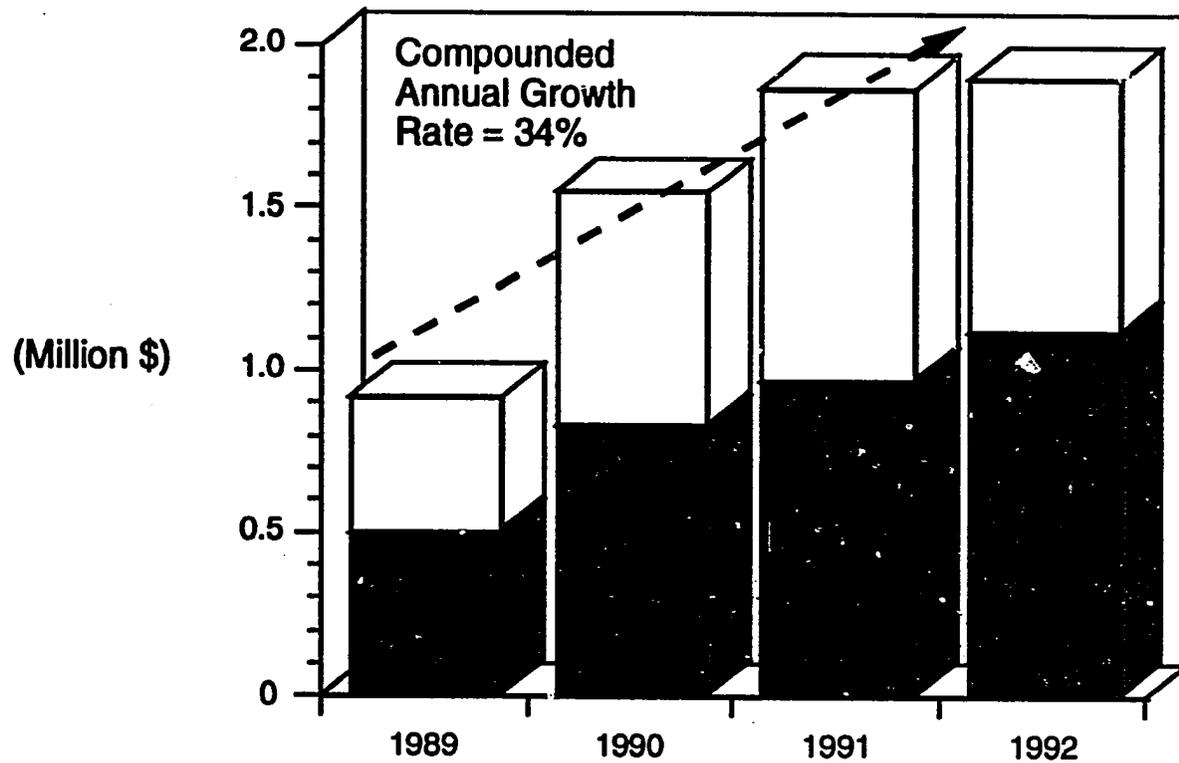
FIAS Operating Expenses Have Grown Dramatically Over the Last Four Years

FIAS Operating Expenses by Category, 1989-1992



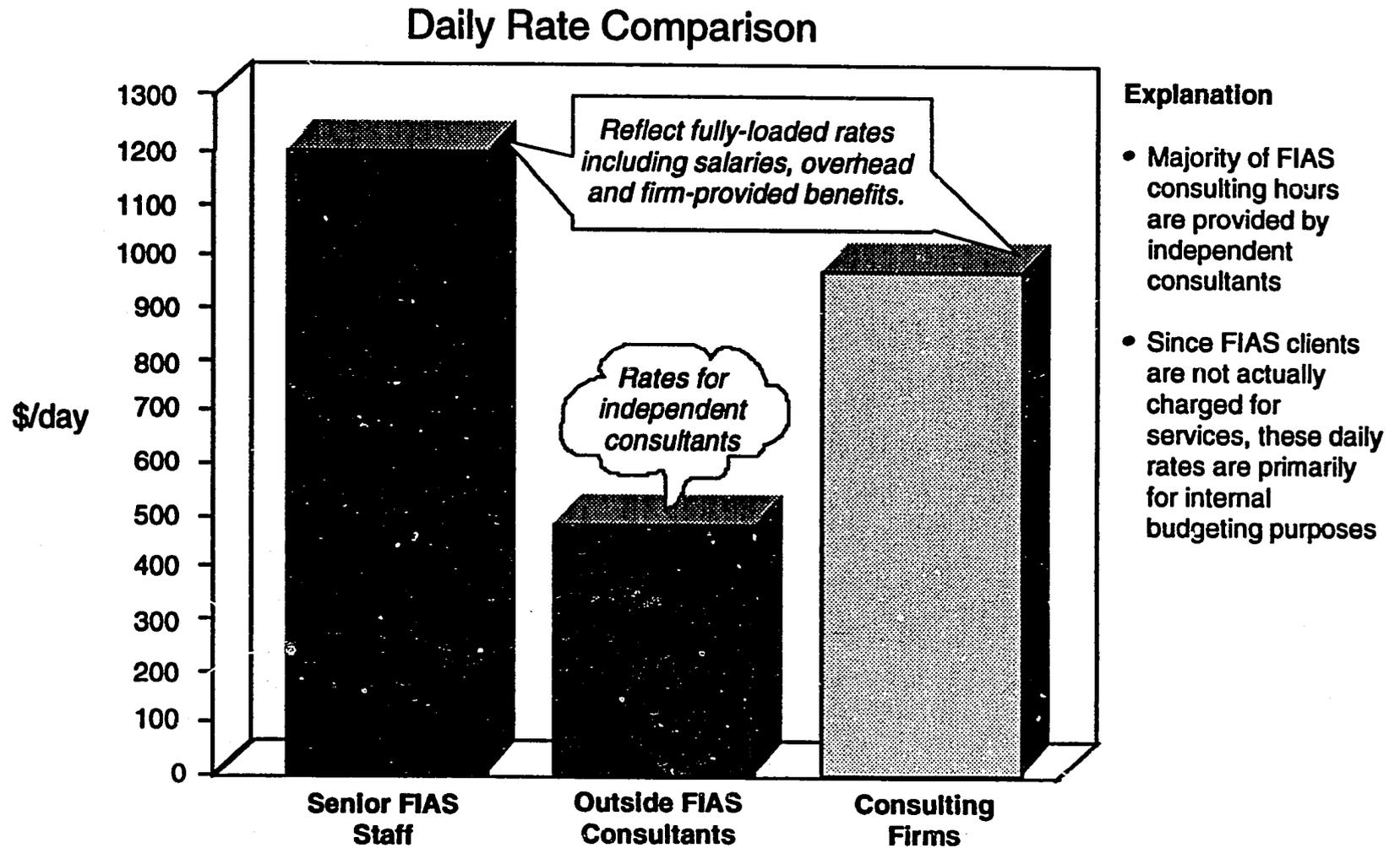
Consultant Charges Have Grown

Staff Salaries and Consultant Fees, 1989-1992



Source: FIAS financial statements.

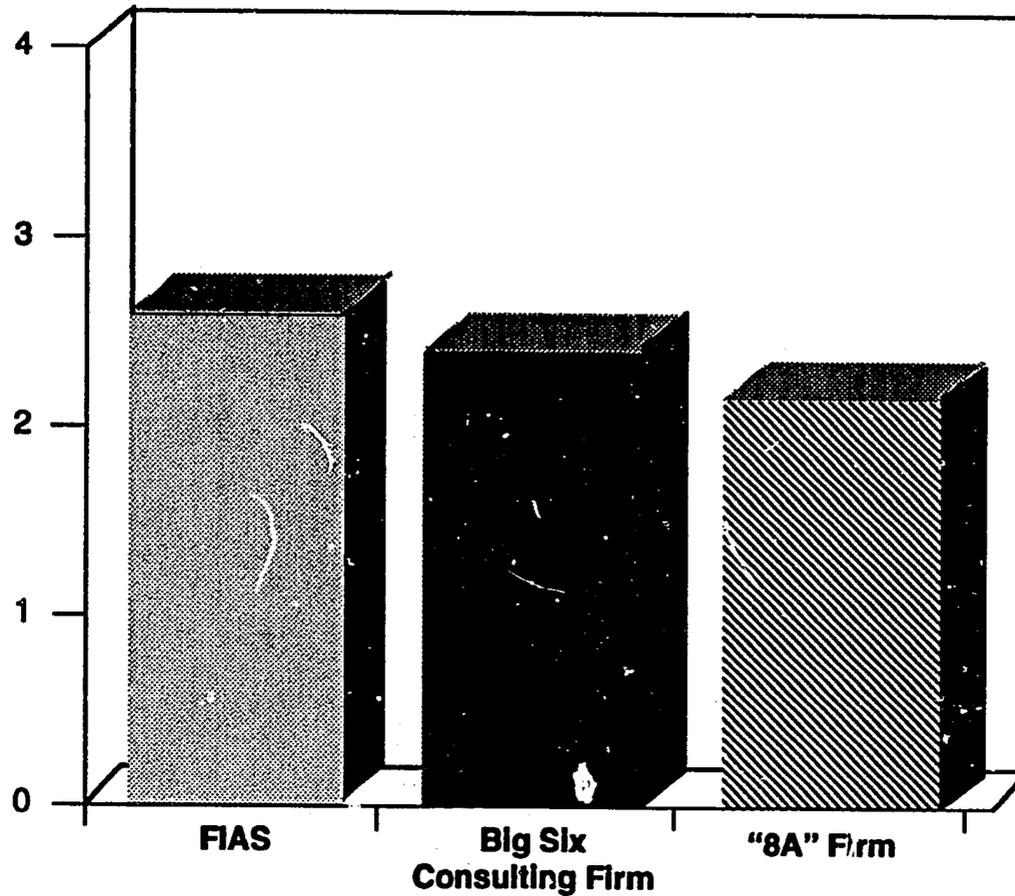
FIAS Leverages Senior Staff with Outside Consultants



Source: FIAS project budgets and internal files.

FIAS Rates, While Slightly on the High Side, Are Still Reasonable

Multiplier Comparison for Professional Fees



Explanation:

- FIAS multiplier reflects fringe, overhead and G&A costs.
- DCAA audited rates, on average, for Big Six and 8A consulting firms.
- Standard methodology used to arrive at multiplier rates.

Source: FIAS Financial statements and internal files.

The FIAS Operation Is Comparable to An IQC Operation

	FIAS - SubSaharan Africa	IQC Project
Total Size (4 years)	\$14,154,200	\$5-8 million
Annual Budget	\$3,538,550	\$ 1-2 million
Multiplier	2.6	2.5
Management	Equivalent to one full-time person	Varies; normally borne by USAID Project Officer
Overhead Cost	12% of salaries	15% of salaries
Travel and Allowances	48% of professional fees	20-25% of professional fees
Client Financial Responsibility	Some hotel expenses	None
Award Mechanism	Grant	Competitive bidding

Source: FIAS Financial statements and internal files.

Subsidies, If Any, Are Very Few and Negligible

- **FIAS does not receive any “hidden” subsidies from the World Bank**
 - **FIAS pays for all its rent, telecommunications and other overhead costs**
 - **FIAS benefits from its access to the World Bank network in Africa as post offices and contact points**
 - **Close interaction with World Bank officers may provide FIAS with “free” research, provided as quid pro quo for FIAS dialogue**
- **FIAS services are granted virtually free to its clients**
 - **Diagnostics are provided free**
 - **Some travel expenses are reimbursed or paid for by its clients**
 - **Certain clients may pay for their share using USAID or UNDP funding**

Administrative Efficiency Can Be Improved — Accounting Practices are Sloppy

- Project costs are not properly charged to the right project.
- New project codes are not opened at the time that new projects are started.
- Consultants do not keep track of the time spent on individual projects.
- This prevents effective monitoring and cost analysis.

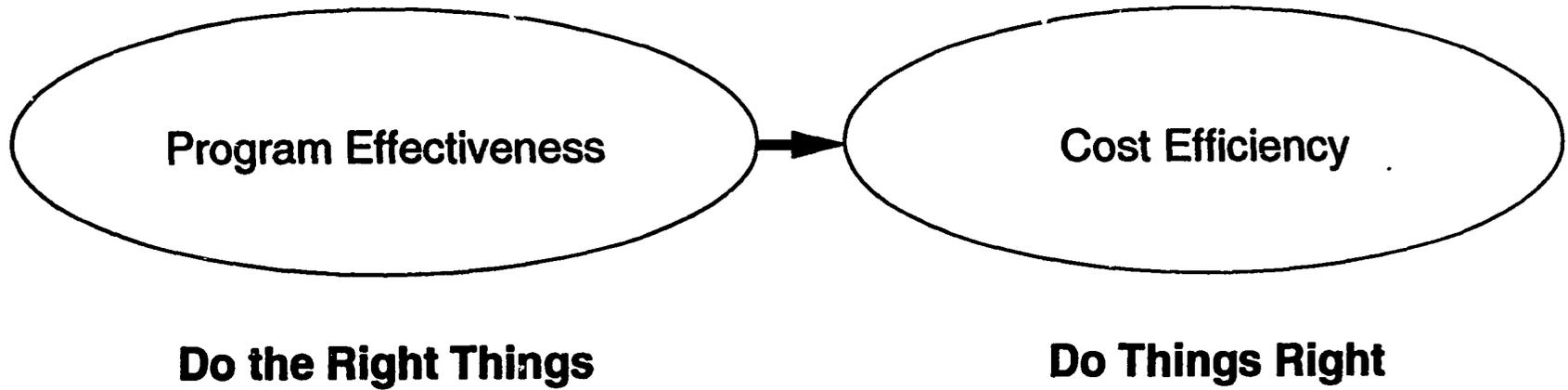
Summary of Conclusions

- Operating expenses have grown in all categories and FIAS activities have expanded.
- FIAS rates, relative to international consulting firms, appear to be reasonable.
- FIAS does not benefit from any hidden subsidies.
- Opportunities exist to improve recordkeeping and accounting practices to allow for improved project monitoring and cost analysis.

V. Recommendations

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Recommendations Fall Under Two Main Categories



We Recommend Continued USAID Funding for FIAS

- **FIAS goals and role fit AID program directions in Africa**
- **FIAS assistance is high quality and beneficial to its clients**
- **Shift to implementation assistance mode will require critical funding**
- **New emphasis on results should be reinforced**

Emphasize Results

Need to Create a Success Story in One or Two Countries

FIAS Outputs

- Diagnostics
- Investment Code Revisions
- Investment Promotion Seminars



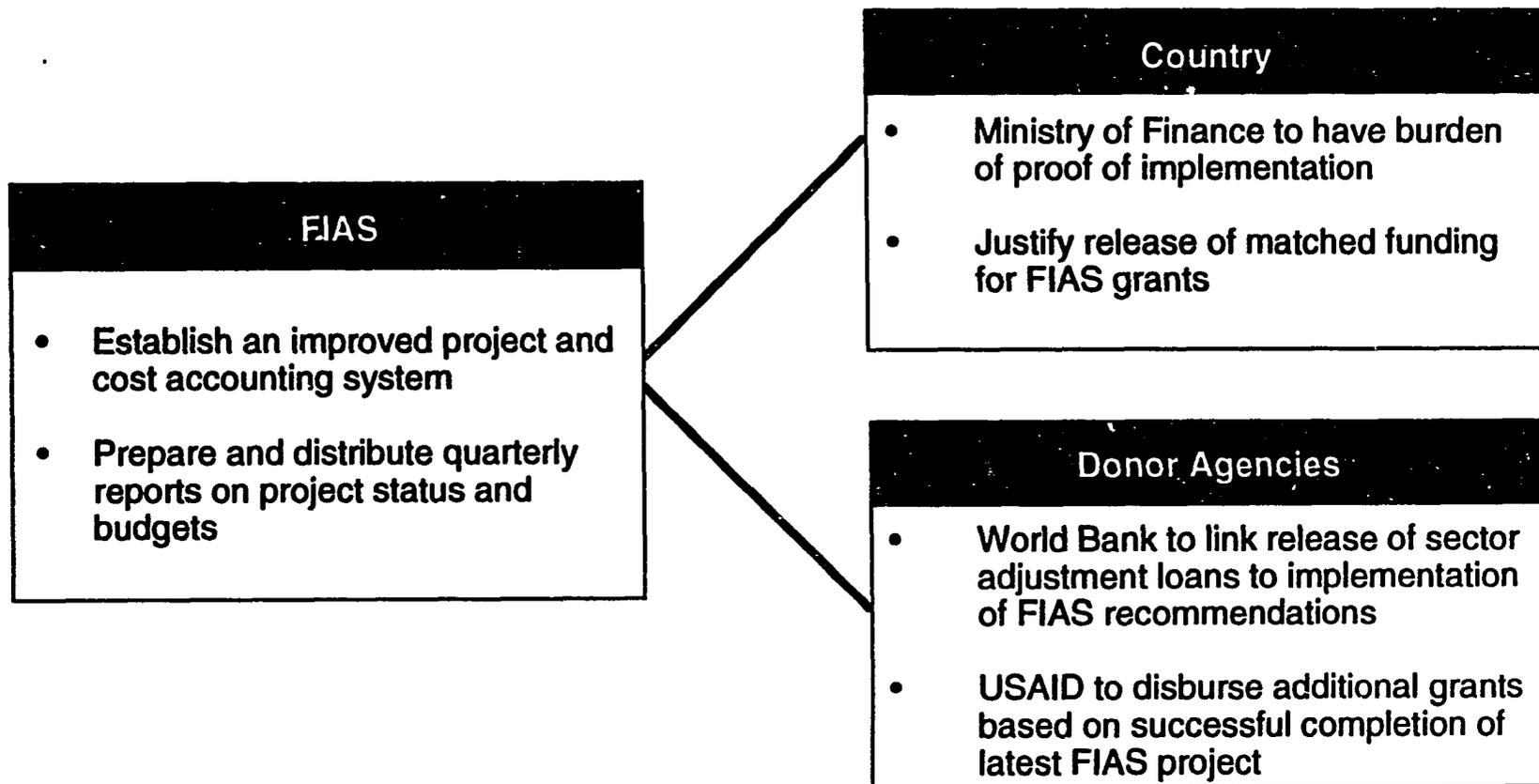
Purpose

- Positive Investment Climate
- Implementation of FIAS Recommendations
- Improved Economic Indicators
- Higher BERI Rating

Countries with more likelihood of becoming a success story should be assigned priority FIAS funding.

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Monitor More Closely the Implementation of FIAS Recommendations



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Encourage FIAS Teams to Visit USAID Missions

- USAID officers interviewed do not think their organization receives a big enough bang for their buck
 - USAID is generally not kept in the loop
 - AID funding of FIAS is not perceived at the host country level, nor is it advertised
- FIAS teams should routinely brief USAID Mission Directors and/or Private Sector Officers on their missions.
 - This corrects the current situation
 - Both USAID and visiting FIAS consultants will benefit

Adopt a More Programmatic Approach to Resource Allocation

- Prior to the beginning of a fiscal year, client governments should prepare project proposals for funding by FIAS, with counterpart funding.
- FIAS should review these proposals, make selections and then award grants.

Establish a Two-Tier Approach to Resource Allocation

- **Tier I:** Prepare a minimum investment promotion package for the poorest countries at low or no cost.
- **Tier II:** Allocate more resources to more “fertile” and committed countries with higher fees.

Consider A Regional Approach

- Locate a regional FIAS office in a country where the impact of FIAS is likely to be highest, creating a success story
- Encourage initiatives to reduce barriers to trade within the region
 - Identify comparative advantage of each neighboring country
 - Attract investors to the region
- Develop a regional alumni network of FIAS-trained consultants
- Hold regional workshops for investment promotion officials

Establish an IQC Type Project Operation Based in Africa

Main Features

- Base a small team of 3-5 consultants in an African country.
- Countries will submit specific applications
 - Show progression and commitment to becoming a success story
 - Provide matched funding for higher amounts
- More implementation-oriented activities
 - Hands-on activities such as institutional strengthening advice
 - Complement "design" activities
- Less random
 - Programs established prior to start of fiscal year
 - Mix of core and buy-in activities

Benefits

- Closer to clients
 - Critical for implementation
 - More responsive to changing needs
- Potential cost savings
 - Minimal overhead costs
 - Much reduced travel budgets
- Easier to monitor and track results
 - Country and project specific
 - Tie to donor programs
- Follow-on options offer flexibility
 - To continue or to terminate, depending on results
 - No need to institutionalize or perpetuate forever in the same form

Implement Cost Saving Initiatives

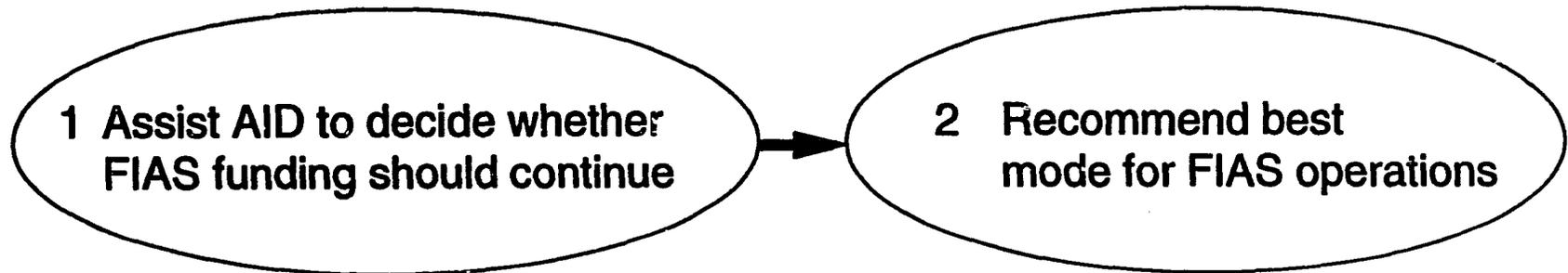
- Use World Bank umbrella for trust fund administration (Potential savings: \$60,000 per year)
- Discontinue first-class travel, and adopt AID travel regulations
- Hold more conferences and workshops in regional capitals (ex: Nairobi) instead of Washington, Paris.

Improve Internal Cost Accounting Practices to Increase Transparency

- **Adopt use of World Bank project coding scheme across the board.**
- **Require staff and outside consultants to keep accurate records of time spent on individual projects.**
- **These practices become more important if project volume expands.**

Summary of Recommendations

Twin Objectives for FIAS Evaluation



Recommend continued funding of FIAS

- FIAS assistance is high quality and beneficial
- Shift to implementation assistance mode
- Emphasize results
- Encourage FIAS teams to visit AID missions

FIAS operations could be enhanced by:

- Adopt a more programmatic approach to resource allocation
- Establish a two tier approach with match-funding
- Consider a regional IQC approach
- Implement cost-saving and cost accounting improvements

APPENDICES

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- A. LIST OF PERSONS INTERVIEWED
- B. PROJECT INVENTORY BY COUNTRY (TABLE TWO)
- C. RESULTS OF FIAS SURVEY
- D. SUMMARY OF OPERATING EXPENSES

APPENDIX A

LIST OF PERSONS INTERVIEWED

WASHINGTON, DC

**Mr. Gerard Byam
Country Economist, Kenya
The World Bank**

**Mr. Martin Hartigan
Sub Saharan Africa
Foreign Investment Advisory Service**

**Mr. Guy Pierre Pfeffermann
Former Director, Economics Department &
Economic Adviser of the Corporation
International Finance Corporation**

**Mr. Ray Solem
Contracts Officer
Agency for International Development**

**Ms. Margo Thomas
Advisor
The World Bank**

**Mr. James Vermillion
Contracts Officer
Agency for International Development**

Mr. Dale Weigel
General manager
Foreign Investment Advisory Service

KENYA

Mr. Guy Antoine
Chief of Mission
International Finance Corporation

Mr. Stafford Baker
Chief, Private Enterprise officer
USAID/Kenya

Mr. Silas M. Ita
Chief Executive
Export Zones Processing Authority

Mr. G. A. G. Kimaru
Chief Industrial Manager
Industrial & Commercial Development Corporation

Mr. Kim Musyimi
Head of Information & Research Department
Investment Promotion Centre

Mr. Lukka E. Obbanda
Head of Policy Department
Investment Promotion Centre

Mr. Francis E. Oyugi
Finance and Administration Manager/
Personal Assistant to Executive Chairman
Investment Promotion Centre

Mr. William Shimanyula
Principal Projects Officer
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MALAWI

Ms. Constance C. Arvis
Economics Officer in Charge of Trade
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Mr. Ian C. Bonongwe
Principal Economic Secretary
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Mr. Golden N. Chalunda
Senior Economist
Malawi Investment Promotion Agency

**Honorable L. J. Chimango
MP, Ministry of Finance**

**Dr. G. H. Chipande
Secretary to the Treasury
Ministry of Finance**

**Mr. Charles S. R. Chuka
Director, Research
Reserve Bank of Malawi**

**Mr. Watipaso Mkandawire
Senior Economist
Malawi Investment Promotion Agency**

**Mr. Herbert S. S. Nyirenda
Senior Economist
Malawi Investment Promotion Agency**

**Ms. Carol A. Peasley
Mission Director
USAID/Malawi**

**Mr. Peter K. Pohland
Deputy Resident Representative
World Bank Mission in Malawi**



APPENDIX B

FIAS Country Activities in Sub-Saharan Africa

Foreign Investment Promotion Assistance									
	Seminar on Investment Promotion	Formulation of Promotion Strategy			Other Institution-Building Assistance				
		Strategic Thinking Seminar	Strategic Plan for Institution-building	Sector Strategies	Enabling Legislation	Study Tours	MIS Installation	MIS Training	Other Technical Assistance
Angola									
Benin									
Burkina Faso									
Burundi									
Cameroon							P 1993	P 1993	P 1992
Comoros									
Congo									
Cote d'Ivoire									
Equat. Guinea									
Ghana							P 1993	P 1993	
Guinea									
Guinea-Bissau	1991				1991		P 1993	P 1993	
Kenya	1990	1990			1988		P 1992	P 1992	
Lesotho	P 1992		1990				P 1992	P 1992	
Madagascar	1990		1991			P 1992	P 1993	P 1993	
Malawi					1991				1991
Mali									
Mauritius						1990			
Mozambique							P 1993	P 1993	
Sao Tome									
Senegal				1989					
Sudan									
Tanzania	P 1992						P 1992	P 1992	
Togo	1990		1990				P 1992	P 1992	
Uganda	P 1993		P 1992		1990		P 1992	P 1992	1990
Zambia									
Zimbabwe							P 1993	P 1993	

U: Underway P: Planned

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FIAS Country Activities in Sub-Saharan Africa

Assistance in Foreign Investment Climate Reforms										
	Investment Climate Review		Investment Laws		Investment Policy Statements		Special Policies/Programs			
	Diagnostic Review of Investment Climate	National Workshop	Desk Review		Seminars, Finalization of Drafts	Seminars	Preparation of Drafts	Debt Equity Swaps Program	Backward Linkages Policies/Programs	Foreign Exchange Regime Reform
			Laws	Regulations						
Angola	U 1991	P 1992	----	-----	P 1992	-----	-----	-----	-----	-----
Benin	U 1991	P 1992	----	-----	-----	-----	-----	-----	-----	-----
Burkina Faso	U 1991	-----	----	-----	-----	-----	-----	-----	-----	-----
Burundi	-----	-----	----	-----	U 1991	U 1991	U 1991	-----	-----	-----
Cameroon	1990	1991	1989	1990	1989/1990	-----	-----	-----	-----	-----
Comoros	-----	-----	1991	-----	-----	-----	-----	-----	-----	-----
Congo	1991	-----	-----	-----	1991	-----	-----	-----	-----	-----
Cote d'Ivoire	-----	-----	1990	-----	-----	-----	-----	-----	-----	-----
Equat. Guinea	-----	-----	1991	-----	1992	-----	-----	-----	-----	-----
Ghana	1987	1987	-----	-----	U 1992	P 1992	P 1992	1987	-----	-----
Guinea	1988	-----	-----	-----	-----	-----	-----	-----	-----	-----
Guinea-Bissau	-----	-----	1990	-----	1991	-----	-----	-----	-----	-----
Kenya	1988	-----	-----	-----	-----	1989, 1991	1991	-----	U 1991	-----
Lesotho	1989	1989	-----	-----	-----	-----	-----	-----	-----	-----
Madagascar	1989	1989	1989	-----	1989	-----	-----	-----	-----	-----
Malawi	1990	1990	-----	-----	-----	1990	1990	-----	-----	-----
Mali	1991	-----	1990	-----	1990	-----	-----	-----	-----	-----
Mauritius	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Mozambique	U 1991	P 1992	-----	-----	-----	-----	-----	1990	-----	-----
Namibia	P 1992	-----	-----	-----	U 1992	-----	-----	-----	-----	-----
Sao Tome	-----	-----	1991	-----	1991	-----	-----	-----	-----	-----
Senegal	1989	-----	-----	-----	-----	-----	-----	-----	-----	-----
Sudan	-----	-----	1990	-----	-----	-----	-----	-----	-----	-----
Tanzania	P 1992	-----	1990	-----	-----	1990 (Desk Review)	-----	P 1992	-----	U 1992
Togo	-----	-----	1989	1989	1989	-----	-----	-----	-----	-----
Uganda	1990	-----	-----	-----	-----	-----	-----	-----	-----	-----
Zambia	-----	-----	-----	-----	-----	-----	1991 (Desk Review)	-----	-----	-----
Zimbabwe	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

U: Underway

P: Planned

APPENDIX C

FIAS QUESTIONNAIRE RESULTS - DEC. 1, 1992

31 reponses:

- 8 did not feel they had adequate knowledge of FIAS to fill out questionnaire
- 23 filled out questionnaire

Of the 23 who filled out questionnaire:

1. "How would you rate the overall quality of FIAS services?"

- 13 High
- 8 Medium
- 1 Low
- 1 No response

Conclusion: Most people responding to survey rated FIAS's services as High to Medium.

Comments: Those who rated the overall quality of FIAS's services as high said FIAS is "responsive and thorough," that FIAS interacts well with clients, that FIAS consultants are "focused and professional" and that they produced "high quality work at short notice." Those who rated the overall quality of FIAS's services as medium said that FIAS's approach was too theoretical, that it was difficult to get timely reports from FIAS "because it was for a small country" and that the consultants had "limited specific area exposure previously." The person who rated the quality of FIAS's services as low said that FIAS needs to be "pro-active" and should consider such broad issues as whether countries "need an investment code at all."

2. "How would you compare the quality of FIAS services to other international consultants?"

- 8 Better
- 6 About the same
- 2 Worse
- 4 Don't know
- 1 "They compare favorably" (did not circle anything)

Conclusion: Most people responding to survey rated the quality of FIAS services as Better to About the Same relative to other international consultants.

Comments: Those rating the quality of FIAS services relative to other international consultants as better described FIAS consultants as very knowledgeable, professional, responsive and as having an advantage in being able to apply knowledge acquired from a large of number of countries to the benefit of their client(s). Those rating the quality of

FIAS services about the same had no specific comments. The two people rating the quality of FIAS services as worse described FIAS consultants as "poor quality generalists" and having no previous, actual work experience of the kind required.

3. "In your opinion, was the FIAS team useful and beneficial?"

21	Yes
2	No

Conclusion: The vast majority of people responding to the survey said that the FIAS team was useful and beneficial.

Comments: Those answering Yes, that the FIAS team was useful and beneficial, said that the FIAS team was an important catalyst in focusing discussion on the issues; that FIAS was able to instill "realism" in the discussions; that the FIAS team provided "convincing arguments" to support their recommendations; and that their recommendations were implemented (although with unknown long-term impact). The two people answering No said that FIAS did not lay sufficient groundwork prior to undertaking their mission and that FIAS was often in a "supply driven mode."

4. "Would you retain FIAS for additional projects in the future?"

19	Yes
3	No
1	No response

Conclusion: The vast majority of people responding to the survey said that they would retain FIAS for additional projects in the future.

Comments: Several people said they intended to work with FIAS on upcoming projects and spoke favorably of FIAS's knowledge and cross-country experience in the field of investment promotion. A few people said they would retain FIAS depending on the particular consultants who would be involved.

5. "For the same FIAS services, in your opinion, are local consultants available and capable?"

18	No
2	Yes
3	Don't know

Conclusion: The vast majority of people responding to the survey believe that local consultants are not able to provide the same services as FIAS.

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Comments: Most people responding to the survey did not believe the same level of expertise was available locally. Several people stated that they would like to see FIAS work in collaboration with local consultants.

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APPENDIX D

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FIAS OPERATING EXPENSES 1989 - 1992 *

	1988	1989	1990	1991	1992 **
Salaries	NA	502,400	825,300	969,500	1,124,000
Consultant Fees	NA	422,200	720,900	899,500	775,700
Office Costs (Rent, Equipment, Supplies)	NA	225,700	179,015	198,200	245,800
Service and Support Charges	NA	138,900	142,900	184,100	230,800
Travel Costs	NA	415,300	626,900	856,400	750,200
Other (Includes Benefits, Training, Language Services)	NA	477,900	864,985	1,131,600	1,246,000
	NA	\$2,182,400	\$3,360,000	\$4,239,300	\$4,372,500

* A detailed breakdown of operating expenses is available from FIAS.

** Estimated budget information.

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