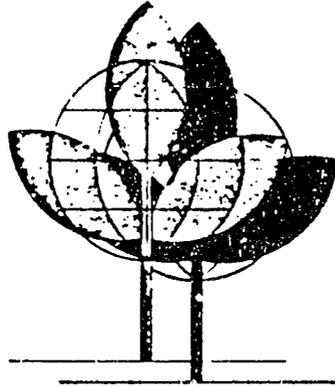


THE AGRIBUSINESS COUNCIL



Monica

***SUSTAINING DEVELOPMENT THROUGH
STRENGTHENING AGRO-ENTERPRISE AND RELATED
AGRO-INDUSTRY TRADE ASSOCIATIONS IN AFRICA***

Submitted to
the U.S. Agency for International Development,
(Africa Bureau)

by
The Agribusiness Council,
Washington, D.C.

November 1991

/ /

**SUSTAINING DEVELOPMENT THROUGH STRENGTHENING AGRO-ENTERPRISE
AND THE RELATED AGRO-INDUSTRY TRADE ASSOCIATIONS IN AFRICA**

Proposal Summary

The ABC seeks funding support from the Africa Bureau under a five year grant agreement to sustain and develop an indigenous African network of agro-industry associations fashioned after the ABC/AER model association development project. This program brings AEC/AER members and the resources they represent to the service of AID/Africa bureau in its strategy to generate sustainable private enterprise growth utilizing the non-governmental sector. The grant would provide resources for ABC/AER to strengthen technical assistance, communications and project development activities aimed at creating self-sustaining agro-industry associations in selected African countries.

Scope of Proposal

Under this proposal, ABC requests AFR funding over five years to sustain and refine the agribusiness association project¹ by providing resources to support ABC/AER operations in Washington and the field, as well as specific projects designed to enhance U.S. agribusiness trade and development access to the emerging network of indigenous associations in Africa now emerging after several years of initial exploration and preliminary program development.

ABC requests funding of \$359,190 for the first year of the grant agreement as detailed in the attached budget. Total project funding would reach approximately \$900,000 for five years.

As multiplier benefits accrue from the interaction with emerging indigenous associations, (particularly with agribusiness trade and development programs and pilot projects) it is anticipated that Africa Bureau missions, host government food and agriculture agencies and the U.S. and African private sectors will combine support thereby reducing AFR/W's funding role and eventually moving the associations to self-sufficiency. Anticipated residual benefits include: increased U.S.-Africa information feedback from the private sector; enhanced dialogue between public/private sectors; increased awareness of democratic governance processes as demonstrated and refined through an effectively managed professional trade association; and a greater appreciation of the inter-linked economies of the agro-food chain by utilizing the ABC/AER multi-disciplinary model for program development.

¹This pilot project has been supported by FHA/PPM since 1988

Background

Donor agencies and African governments alike are increasingly accepting a new reality driven home by the harsh economics of structural adjustment reform, declining development capital flows and a stagnating (or declining) GNP in many countries. Namely, that private enterprise must be strengthened and its leadership included in policy reform dialogue if the continent is to pull out of its disastrous economic tailspin and achieve the growth needed to alleviate the poverty and political chaos which threatens many African countries.

As development agencies have surveyed various approaches toward the African private sector, the importance of the non-governmental sector in general, and industry related trade associations in particular, has gained acceptance. Frustrated with an overall lack of progress in structural adjustment reform programs, donors are recognizing a basic problem present from the outset: there has been little or no systematic attention paid to the anticipated implementors of privatization and reform, that is the private sector itself! This lack of sustained feedback: communication from the potentially most affected group reflects a number of African problems as well as some inherent difficulties which attend to NGO-donor-government dialogue in virtually every context. Additionally, the shift toward investing greater emphasis on the non-governmental sector flows out of a growing conviction that addressing development issues, particularly those related to privatization, through government and/or donor channels alone has not and cannot ever succeed on its own. A corollary recognition gathering acceptance is that the private entrepreneur is the most efficient generator of wealth. In order to flourish, the entrepreneur needs a stable environment where government provides a supportive economic (fiscal and monetary) and social policy without overreaching its authority or over-regulating.

In Africa, indigenous entrepreneurship has had a difficult climb with many problems rooted in a reaction to colonial capitalism where indigenous private enterprise was either effectively marginalized or thought to be better controlled by government (usually in close cooperation with larger private organizations based in the European countries). AID agencies, by working almost exclusively with African governments and other donors have willingly, and perhaps unknowingly, perpetuated this "anti-entrepreneurial" bias. When adding to this its relatively small size, political weakness and lack of organization, the African private sector's potential dynamism has effectively been held in check.

A key to unlocking and harnessing the private sector's constructive energy for growth and income generation lies in the encouragement of non-governmental organizations composed of and designed to service the entrepreneurial constituency. In this regard, the model of a non-profit trade association administered by professional association executives, with transparency and accountability to a governing board of directors merits consideration.

ABC/AER Model Agribusiness Association Project

In late 1988, following positive AID participation in a successful agro-enterprise workshop and symposia series conducted by the Agri-Energy Roundtable (AER) which encompassed conference programs in Manila, Hong Kong, Bombay and Geneva, Switzerland, and a special conference organized by the Agribusiness Council (ABC) in St. Louis, Missouri (October 1988), AID/FHA/PPM and AID SET/Office of Bioenergy Systems provided two modest pilot grants which enabled the ABC/AER to begin exploratory follow-up visits with a number of USAID missions and indigenous agro-industry entities in fifteen developing countries for the purpose of forming and strengthening the emerging AER/ABC network of agribusiness trade associations.

In Africa, this model received considerable high-level attention through AER's participation and presentations before the UNIDO/ECA Ninth African Minister's of Industry Conference (Harare, June 1989) and the African Leadership Forum (Lagos, August 1989). In both instances, AER's proposal received enthusiastic response and formation committees composed of a mix of government and private sector leaders sprung up in a number of African countries (Kenya, Nigeria, Ghana, Senegal, Zambia, Zimbabwe, Lesotho, Uganda, Cameroon, and Gambia). By the end of 1989, several AER counterpart associations had already incorporated and registered as non-governmental organizations with their governments (Uganda, Nigeria, Kenya).

In June 1990, African participation at the Agribusiness Council conference in Washington (which received partial support from AF/MDI and several missions) sparked additional interest and momentum among indigenous African entrepreneurial groups. Following several panel sessions on the program, African delegates met with ABC and AID at a special breakfast workshop and were encouraged to accelerate their organizational efforts toward building sustainable association/advocacy groups.

AER's exploratory grant was renewed in 1990, and four follow-up missions were extended to East Africa during which AER/ABC provided modest technical assistance and support services² for AER counterparts in Kenya, Tanzania, and Uganda. Meanwhile, in West Africa, AER counterpart groups formed in Gambia and Nigeria.

² Includes briefings, consultations on bylaws/articles of incorporation, governance process, developing a business/membership development strategy, organizing initial events, and preparation of promotional literature.

AER/ABC provided these programming services based upon a ten year track record of successful activities, and the broader foundations of a quarter century of professional experience - which includes dozens of major conferences and seminars, along with over forty trade missions, numerous publications and special written reports (including agribusiness marketing profiles for twenty countries). ABC, through its extensive grassroots network of U.S. state/local agribusiness councils and associations, also sparked considerable interest in Africa.

This unique, inter-linked agribusiness association network could produce U.S. trade and development dividends along with indigenous African organizational/institution-building assistance if appropriately nurtured. The pilot project results have been encouraging. (see attachment)

Work Plan

The principal activities of ABC/AER under the grant agreement would include the following, in cooperation with AID/W:

- (1) to schedule regular promotional visits to a minimum of six Africa Bureau missions to counsel with Mission management on potentials for the Agribusiness Association Development project and offer to assist USAIDs and indigenous agribusiness leaders interested in developing an operational action approach toward the early establishment of agribusiness associations. These indigenous associations would be designed around the AER/ABC model as advocacy business trade associations.
- (2) To report on progress to AID/W.
- (3) To provide small seed grants to forming and formed associations enabling them to communicate and organize more effectively (up to \$10,000). Such grant awards would be used by the indigenous groups for basic start-up costs such as telefax equipment, printing stationery, etc.

In response to AFR missions' interest and funding to implement more extensive activities envisaged and critical to the association development process, ABC/AER would prepare country agribusiness profiles and introduce USAID to local agribusiness leaders utilizing workshop and in-country briefings (sponsored by either ABC/AER or the local counterpart organization).

ABC/AER would serve as a facilitator for AFR Bureau and Mission access to U.S. agribusiness companies and groups interested in African agribusiness potentials.

Management Plan

ABC/AER will utilize a combination of fulltime coordinating staff, consultants, research interns, and corporate advisor/volunteers to execute this project. This approach has generated successful results with minimal financial support for four years - a testament to the strength of the idea, its acceptance in Africa and the effectiveness of AER/ABC management

against considerable obstacles. The approach is tested and only lacks resources to prove itself more fully. Furthermore, it is built on a structure which can be easily and quickly augmented to handle the larger, long-term potentials which would arise as the entire process gains momentum.

ABC, as the U.S. association counterpart of the AER, would assume overall management responsibility for the program. ABC's track record of successful projects with AID extends back to the early 1970s. The ABC President has himself worked in AID as a senior official and has considerable experience managing trade associations. He has also founded several successful trade associations involved in international business development, trade information and GATT negotiation advisory functions. In addition, the ABC will utilize the resources of AER's international advisory committee and the AER/African coordination committee (which is comprised of key agribusiness professional and government officials interested in assisting the development of the indigenous association network) to fulfill tasks of the scope of work.

An excellent network linking the U.S. agribusiness community at the grassroots, and the nascent agribusiness sector in selected African countries exists as a direct result of the pilot project and some fortuitous outreach through the United Nations and the USAID network in Africa.³ This network resource is fragile, and will diminish in value and effectiveness if not utilized within a constructive, association development process. The network will ensure continuity and the cost-effective and nationally tailored accumulation of positive results as the program expands.

Program Benefits

AID/AFR Bureau could enhance its leadership in utilizing non-governmental organizations within its development strategy for African private enterprise by providing modest resources to the ABC/AER agribusiness association model development project. Africa Bureau could also strengthen its understanding of the private sector role in African development by investing in the relatively low-cost association approach, an approach which would also multiply its benefits to the local agribusiness communities and its entrepreneurs, who as emerging leaders would be attracted to the indigenous association. Moreover, since the project encompasses the direct provision of organizational technical assistance and office equipment to facilitate communications, AID/W and USAIDs involved would benefit by establishing a private sector focal point for agribusiness contact in the host countries. Over the duration of this grant process, AID's interaction with ABC/AER would also assist the Agency's working understanding of agribusiness and its many players and fragmented associations -by focusing on the strengthening of a "development friendly" umbrella association.

³ See Keith Sherper memo Dec. 3, 1987 to African mission directors on AER potentials and UNCLAS state 266780 (August 18, 1989), describing AER/ABC activities to missions.

Relationship to Regional Africa Strategy

The proposal program supports Africa Bureau's focus as described in the policy paper "Beyond Policy Reform in Africa: Sustaining Development Through Strengthening Entrepreneurship and the Non-Governmental Sector." This proposal recognizes agribusiness development as a multi-disciplinary concept that can be nurtured effectively through associations, PVO's, and other types of NGO's. ABC/AER also have a unique feature which provides an important component to the program's acceptance and long-term success. Namely, since 1985 the international AER has enjoyed United Nations accreditation as a non-governmental organization with special status before the UN Secretary General, the UN World Food Council and UNIDO. ABC, as the U.S. affiliated association, is a registered 501(c)(3) tax exempt organization incorporated in Delaware and can benefit through its indirect management link with the AER program while passing information benefits back to AID and the U.S. state and local agribusiness council network.

As Africa Bureau pursues its strategy of maximizing economic growth through a strengthened private sector and democratic institution building, the ABC/AER program focus on sustainable agriculture, technology transfer, trade generation and self-sufficient membership service driven associations can contribute substantially to helping Africans help themselves. Africans have already demonstrated their commitment to the establishment of ABC/AER model associations using their own resources in most cases and AID/Africa could make an important difference with timely encouragement of this process.

Proposed Budget - First Year
Africa Agro-Enterprise Association Development

I. Management

1. ABC supervision @ \$2,500/month	\$ 30,000
2. Project Manager - Africa	\$ 75,000
3. Secretarial/Research Assistant	\$ 25,000
4. Consultant/Coordinator	\$ 20,000

II. Communications

1. International and domestic telephone, fax, photocopying, printing, postage, supplies @ \$ 1,000/month	\$ 12,000
2. Conference materials (brochures, workbooks, and registrant materials) for regional conference	\$ 5,000

III. Travel/Per Diem

Project Manager and Consultant Coordinator

1. International promotion/ technical assistance (scheduled visits to first year countries) \$ 3,000/air RT ticket x 3 trips x 2 persons	\$ 18,000
2. Per diem - \$100/day x 30 days/trip x 3 trips	\$ 18,000

IV. Grant Fund Pool

Funds would be disbursed for purchase of telefax, reproduction and word processing equipment, office rent, travel for selected delegates to regional conferences, and seed support toward local indigenously organized events.

\$ 50,000

V. Regional Conference Preparation	
The detailed conference budget	
would be prepared and then approved by	
AID/AFR following initial mission visits.	\$ 50,000
VI. Administrative costs - office rent	
@\$2,250 per month	\$ 27,000
Office furniture, equipment, maintenance,	
supplies, etc. - \$220 per month	\$ 2,640
VII. Overhead (15%)	\$ 26,550
	<hr/>
Total	\$ 359,190

ATTACHMENTS

1. Memo - Keith Sherper, AID/AFR/TR to mission directors, December 3, 1987.
2. Cable - UNCLAS STATE 266780, August 18, 1989.
3. Cable - UNCLAS STATE re. AER Model in Africa, June 1991.
4. Letter - Hon. Dr. S. Wandira-Kazibwe, AER/Uganda, April 5, 1991.
5. Article - African Business, August 1991.
6. Article - The Nation, May 27, 1990.
7. Letter - Hon. Abdoulie Touray, Gambia National Investment Board, October 30, 1990.
8. Letter - Reginald Brown, Assistant Administrator, AID/PPC, March 27, 1991.
9. Memorandum - Robert Kelly, Associate Asst. Administrator, AID/PPC/PDPR to Reginald Brown, AID/PPC, February 5, 1990.
10. Letter - Dr. G.T. Ndunguru, Chairman, AER/Tanzania Formation Committee, November 16, 1991.
11. Letter - UNDP/Ethiopia, November 14, 1991.
12. Excerpt - AER Presentation before UNIDO African Ministers of Industry Conference (Harare, Zimbabwe), June, 1989.

December 3, 1987

MEMORANDUM

TO: Mission Directors, Sub-Saharan Africa

FROM: AFR/TR, Keith Sherper

SUBJECT: Possible Roles for The Agri-Energy Roundtable (AER) In Promoting Private Sector Development In Africa

Discussions have been held between the the Agri-Energy Roundtable (AER) and AID/Washington concerning the present and planned activities of the AER and possible areas of mutual interest and collaboration between the AER and USAIDs in turning to local developing country private sectors to realize country food, nutrition, income and energy goals. The purpose of this memorandum is to very briefly acquaint African missions with the AER and to outline possible roles for which some missions may wish to consider utilizing or assisting the AER. This information follows on that in REFID 342348 (10/20/87).

The AER is an international network of private agribusiness companies and trade associations, as well as, university representatives. Its headquarters is in Washington and presently chapters are functioning in the Philippines, Brazil and India. Chapters are expected to be established soon in: Nigeria, Kenya, Zambia, Senegal, Uganda, Gambia, and Cameroon. Strong interest has been shown in AER in a number of countries including Zimbabwe and Sudan.

Since the agricultural sector and the larger food supply system offer obvious attractions for USAID missions to consider when promoting and using private sector capabilities to achieve growth, AFR/TR believes that possible roles for the AER in this process deserve careful consideration.

AFR/TR recommends that missions consider the potential usefulness of the AER in the following areas:

- as a mechanism for promoting
 - rural associations, cooperatives,
 - equipment pools and renting/leasing organizations
- as a mechanism for supplying or promoting information development/exchange in such areas as:
 - agricultural product marketing and market information.

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- agricultural product handling, grading, preparation, and storage
- production of natural products for pest control
- approaches to disease control
- short-term training or extension services to the indigenous private sector in such fields as management techniques/skills, and the use of new technologies
- availability and use of new equipment or techniques

• as a means of assisting the indigenous private sector to:

- provide a focal point within a given country for USAIDs to become acquainted with private agro-processors and others involved in food production, processing, transport and storage.
- identify information requirements or program/policy needs in such areas as
 - rural market installations and equipment
 - credit and banking institutions
 - farm infrastructure, engineering support
 - increased rural employment opportunities
 - measures to reduce post-harvest losses

We understand that AEF indigenous or Headquarters representatives may be interested in having talks with missions about matters of mutual interest and possible collaboration. Missions (particularly those in countries listed above) are asked to communicate to Ken Prussner (AFR/TR/ARD) their interest and willingness to receive AEF representatives for such exploratory talks.

Clearance:

AFR/TR/ARD:KPIUSBTR/I
APR/PPE:PJohnson (Subs)

Drafted:BEarron:11/2/87:7137C

AID/AFRICA BUREAU CABLE

August 18, 1989

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AID/AFR/MDI:FJOHNSON:SCP:DB4JM
DB/18/89 647-7614
AID/AFR/MDI:DBERNIUS

AID/AFR/DP:JWESTLEY {INFO}
AID/AFR/TR/ARD:NSHELDON{SUBS}
AID/AFR/CCWA:AFESSENDEN {INFO}
AID/AFR/SWA:RDANIELS {INFO}

AID/AFR/MDI:KSWANBERG {DRAFT}
AID/AFR/CCWA:RTHOMAS {INFO}
AID/AFR/SA:NNEWMAN {INFO}
AID/AFR/CCWA:MRIEGELMAN {INFO}

PRIORITY

AIDAF

AIDAC MISSION DIRECTORS

E.O. 12356: N/A

TAGS: UNCLAS STATE 266780

SUBJECT: AGRI-ENERGY ROUNDTABLE DEVELOPMENT IN AFRICA
AND PRIVATE SECTOR AGRIBUSINESS PARTICIPANTS FOR
INTERNATIONAL AGRICULTURE FORUM, OCTOBER 8-11, VIENNA,
AUSTRIA {SPONSORED BY AGRI-ENERGY ROUNDTABLE}

REFTEL: {A} STATE DL8023 {3/4/88}, STATE 342248
{11/3/87}, STATE DB3398 {3/17/88}

THE AID/W DIRECTORATE OF FOOD AND AGRICULTURE ST/FA, THE
OFFICE OF ENERGY AND OTHER AID/W OFFICES HAVE BEEN
FACILITATING CONTACTS WITH THE AGRI-ENERGY ROUNDTABLE,
INC. {AER} - A UN ACCREDITED, NON-PROFIT TAX EXEMPT
ASSOCIATION WHOSE GOALS ARE TO IMPROVE DIALOGUE AND
COOPERATION IN AGRO-INDUSTRY AND RELATED ENERGY
DEVELOPMENT, PARTICULARLY BETWEEN INDUSTRIALIZED AND
DEVELOPING COUNTRIES. THE PURPOSE OF THIS CABLE IS TO:
{A} UPDATE MISSION OF AER DEVELOPMENTS IN AFRICA; {B}
ALERT MISSIONS TO OPPORTUNITIES AVAILABLE TO A.I.D.
THROUGH COOPERATIVE EFFORTS WITH AER; {C} INFORM
MISSIONS OF THE UPCOMING AER TENTH ANNUAL INTERNATIONAL
AGRICULTURE FORUM - QUOTE AGRO-INDUSTRIAL REVOLUTION:
NEW PARTNERS AND STRATEGIES FOR 1992 AND BEYONDQUOTE END

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QUOTE AND: (D) ALERT MISSIONS TO POSSIBLE IDENTIFICATION OR CONFIRMATION OF LDC PARTICIPANTS FROM AFRICA AND THE NEED FOR TRAVEL SUPPORT WHERE LINKED TO MISSION PROGRAMS, I.E. POSSIBLE ESTABLISHMENT OF LOCAL AGRO-INDUSTRY COUNCILS OR ASSOCIATIONS, SEE REFTEL B.

1. THE TENTH ANNUAL INTERNATIONAL AGRICULTURE FORUM WILL BE HELD IN VIENNA, AUSTRIA, OCTOBER 8 THRU 11. PARTICIPATION BY KEY SELECTED LDC ENTREPRENEURIAL LEADERS, AS WELL AS APPROPRIATE GOVERNMENT OFFICIALS WILL BE IMPORTANT SINCE AER IS ALREADY BEING WELL RECEIVED BY MANY AFRICAN GROUPS.

2. THE ROUNDTABLE DESIRES TO BROADEN PUBLIC/PRIVATE DIALOGUE AND MAXIMIZE OPPORTUNITIES FOR ITS INFORMATION EXCHANGE AND PROJECT IDENTIFICATION CAPABILITIES. AER HAS IDENTIFIED A NUMBER OF CANDIDATES (SEE REFTEL A) WHO WOULD BENEFIT A GREAT DEAL FROM THIS CONFERENCE BUT IS UNABLE TO FUND THEM ITSELF. IF MISSION OR OTHER FUNDING IS AVAILABLE, PLEASE ARRANGE FOR THEIR ATTENDANCE AND INFORM NICHOLAS HOLLIS, AER EXECUTIVE DIRECTOR, OF NAMES AND POSITIONS:

NICHOLAS HOLLIS, EXEC. DIRECTOR
AER, 2550 M STREET N.W.
WASHINGTON, D.C. 20037
FAX (202) 887-9178

AER WELCOMES MISSIONS' NOMINATIONS FOR OTHER PARTICIPANTS AND SUGGESTS THAT MISSIONS CONSIDER PARTICIPATION BY MEMBERS OF KEY LOCAL AGRIBUSINESS FIRMS AND GROUPS AND INDIVIDUAL PRIVATE-ENTERPRISE ORIENTED LEADERS. AER REQUESTS ONLY TRAVEL AND PER DIEM ASSISTANCE.

3. THE AER ROLE IN AFRICA IS RAPIDLY GAINING MOMENTUM. RECENTLY, AER WAS INVITED TO ADDRESS THE XV WORLD FOOD COUNCIL MINISTERIALS (CAIRO) AND THE NINTH UNIDO AFRICAN MINISTERS OF INDUSTRY CONFERENCE IN HARARE, ON THE POSITIVE CONTRIBUTIONS THAT COULD BE MADE BY PRIVATE AGRO-INDUSTRY ASSOCIATIONS IN BOTH THE CURRENT 'STRUCTURAL ADJUSTMENT' DIALOGUE, AND IN PROMOTING NEW TECHNOLOGIES, TRADE/INVESTMENT OPPORTUNITIES - AND LINKAGES BETWEEN THE PRIVATE, GOVERNMENT, INTERNATIONAL AGENCY AND RESEARCH SECTORS. AER'S GLOBAL NETWORK AND THE FURTHER DEVELOPMENT OF AFRICAN COUNTERPART GROUPS WERE EXTREMELY WELL RECEIVED AT BOTH CONFERENCES. REPRESENTATIVES FROM UGANDA, NIGERIA, ZAMBIA, ZIMBABWE,

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SENEGAL, CAMEROON, SWAZILAND, BOTSWANA AND GHANA SHOWED GREAT INTEREST IN ESTABLISHING INDIGENOUS QUOTE SISTER ASSOCIATIONS. END QUOTE IN EGYPT, AER CO-HOSTED A WORKSHOP WITH THE EGYPTIAN OFFICE OF AGRIBUSINESS INVESTMENT FOR PRIVATE AND GOVERNMENT SECTOR LEADERS INTERESTED IN ESTABLISHING AN EGYPTIAN QUOTE SISTER END QUOTE ASSOCIATION. END QUOTE DURING AER'S JUNE VISIT TO NAIROBI THE AER/KENYA ASSOCIATION WAS INCORPORATED AND IS PROGRESSING WITH FUNDS FOR START-UP COSTS PROVIDED BY A.I.D. THROUGH GREATER CONTACT WITH PRIVATE AND PUBLIC SECTOR INDIVIDUALS AND USAID MISSIONS IN AFRICAN AND OTHER COUNTRIES, PROSPECTS FOR MORE EXPANSIVE AND CONSTRUCTIVE DIALOGUE LEADING TO LDC DEVELOPMENT SEEMS QUOTE PROMISING.

4. AS IN PAST YEARS, A LARGE AFRICAN CONTINGENT IS EXPECTED TO ATTEND THIS YEAR'S FORUM IN VIENNA. USING THE INTERNATIONAL FORUM PROVIDED BY AER, PRIVATE AND PUBLIC SECTOR LEADERS WILL PARTICIPATE IN A VARIETY OF SEMINARS AND WORKSHOPS CONCENTRATING ON TOPICS OF PARTICULAR INTEREST TO THE PARTICIPANTS FROM BOTH THE INDUSTRIALIZED AND DEVELOPING WORLD. SOME ISSUES WILL BE: QUOTE EC 92 AND THE RISE OF THE REGIONAL TRADING BLOC, FOOD PROCESSING AND AGRO-FOOD TRANSPORT/DISTRIBUTION STRATEGIES FOR THE 90S, NON-CONVENTIONAL MECHANISMS FOR AGRO-INDUSTRIAL PROJECT FINANCE END QUOTE AND QUOTE AFRICAN AGRI-ENTERPRISE AND PRIVATIZATION: THE OPPORTUNITIES OF STRUCTURAL ADJUSTMENT. END QUOTE SMALLER COUNTRY AND SECTOR SPECIFIC WORKSHOPS AND AER QUOTE SISTER ASSOCIATION END QUOTE ESTABLISHMENT WORKSHOPS WILL ALSO BE INCLUDED.

5. DUE TO THE SHARED GOALS OF USAID AND AER IN PROMOTING PRIVATE SECTOR DEVELOPMENT IN AFRICA, MISSIONS COULD CONSIDER SENDING ADO'S AND PRE REPRESENTATIVES TO THE FORUM. SUCH PARTICIPATION CAN MAINTAIN AND STRENGTHEN CONTACTS WHICH EXIST WITH THE AER CORE GROUP AND ALSO ENCOURAGE THE IDENTIFICATION OF PRIVATE SECTOR LEADERS WHO COULD BECOME SUPPORTIVE IN NUMEROUS PROJECTS. THIS SUPPORTIVE CONTACT/DIALOGUE WILL BE MORE EASILY MAINTAINED WITH THE ESTABLISHMENT OF INDIGENOUS AER QUOTE SISTER ASSOCIATIONS, END QUOTE AN ENDEAVOR TO WHICH A.I.D. MISSIONS CAN CONTRIBUTE MATERIALLY. THE DECEMBER 1987 AFR/TR MEMORANDUM, INTRODUCED AT THE 1987 A.I.D. AFRICAN MISSION DIRECTORS MEETING (NAIROBI), DESCRIBED HOW A.I.D. AND AER CAN BE VERY USEFUL TO EACH OTHER IN AFRICAN DEVELOPMENT. SOME SUGGESTIONS ARE 1) TO USE AER FOR PROMOTING ASSOCIATIONS, COOPERATIVES AND

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ORGANIZATIONS TO AID DEVELOPMENT SCHEMES; 2) TO ACCEPT AER AS A LINK BETWEEN THE PRIVATE AND PUBLIC SECTOR BOTH ON A DOMESTIC AND INTERNATIONAL LEVEL; 3) TO HELP ESTABLISH AND THEN ALLOW QUOTE SISTER ASSOCIATIONS END QUOTE TO ACTIVELY PROMOTE INDIGENOUS PRIVATE SECTOR DEVELOPMENT AND; 4) TO COLLABORATE WITH AER IN A VARIETY OF PROJECTS WHICH MAY HAVE A GREATER OPPORTUNITY TO SUCCEED WITH PRIVATE SECTOR INVOLVEMENT. OTHER COOPERATIVE EFFORTS CAN DEVELOP AS THE AER NETWORK GETS FURTHER IMPLANTED.

L. FYI: IF FUNDS PERMIT, AFR/MDI PLANS TO HAVE AND OBSERVER AT THE VIENNA CONFERENCE.44

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DB/D3/91 {703} 875-4606
AID/FVA/PPM:CQUIROS

AID/AFR/EA:BHOWARD {DRAFT} AID/AFR/EA:CMCCARTHY {INFO}
AID/AFR/MDI:WWEINSTEIN {INFO} AID/FVA/FFP:RKIDD {INFO}

ROUTINE KAMPALA

ROUTINE NAIROBI, DAR ES SALAAM, LUSAKA, HARARE, GABARONE, BANJUL,
ACCRA, LAGOS

AIDAC

E.O. 12356: N/A

TAGS:

SUBJECT: AGRI-ENERGY ROUNDTABLE ASSOCIATION DEVELOPMENT

SUMMARY: THE BUREAU FOR FOOD FOR PEACE AND VOLUNTARY ASSISTANCE (FVA) IS FACILITATING USAID AND LOCAL PRIVATE SECTOR CONTACTS WITH THE AGRI-ENERGY ROUNDTABLE INC. (AER). AER IS A U.N. ACCREDITED, NON-PROFIT, TAX-EXEMPT ASSOCIATION WHOSE GOALS ARE TO IMPROVE THE DIALOGUE AND COOPERATION IN AGRO-INDUSTRY AND RELATED ENERGY DEVELOPMENT, PARTICULARLY BETWEEN INDUSTRIALIZED AND DEVELOPING COUNTRIES. LOCAL AGRIBUSINESS INTERESTS OFFICIALLY REGISTERED AN AER ASSOCIATION AS A NON-GOVERNMENTAL ORGANIZATION IN UGANDA ON FEBRUARY 20, 1991. FVA REQUESTS USAID CONCURRENCE FOR THE VISIT OF AER EXECUTIVE DIRECTOR NICHOLAS HOLLIS DURING JULY 24-29 TO CONSULT WITH THE UGANDA ASSOCIATION ON FURTHERING THEIR ORGANIZATION'S DEVELOPMENT. END SUMMARY.

1. FVA GRANT

FVA HAS PROVIDED AER A \$25,000 GRANT TO FACILITATE AER CONTACTS WITH USAID MISSIONS AND PRIVATE SECTOR PARTIES

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INTERESTED IN ESTABLISHING AER COUNTERPART AGRO-INDUSTRY ASSOCIATIONS. THE GRANT FUNDS AER TRAVEL, PER DIEM, AND ASSOCIATION DEVELOPMENT EXPENSES IN SELECTED DEVELOPING COUNTRIES. PPC JUST SIGNED A SIMILAR \$40,000 AGREEMENT WITH AER TO SUPPORT AER ASSOCIATION DEVELOPMENT IN MIDDLE INCOME COUNTRIES; ENE AND APRE ARE CONSIDERING PROPOSALS TO SUPPORT AER AS WELL. PPC PERIODICALLY HOLDS COORDINATING MEETINGS OF A.I.D. OFFICES INTERESTED IN SUPPORTING AER. THE FIRST MEETING WAS HELD MARCH 21, 1991; WARREN WEINSTEIN, AFR/MDI, REPRESENTED THE AFR BUREAU.

2. AER PURPOSE AND OBJECTIVES

THE COMPLEMENTARY OBJECTIVES OF THE AER COUNTERPART ASSOCIATION DEVELOPMENT PROGRAM ARE TO DEVELOP INDIGENOUS PRIVATE SECTOR INSTITUTIONS AND TO PROMOTE INCREASED AGRICULTURAL TRADE BETWEEN THE HOST COUNTRY AND THE UNITED STATES. THE FOLLOWING PARAGRAPHS FROM THE "PROGRAM DESCRIPTION" OF THE FVA GRANT AGREEMENT DESCRIBE MORE PRECISELY THE PURPOSE OF THE PROGRAM AND HOW IT IS TO BE IMPLEMENTED:

"AER WILL ESTABLISH LOCAL ASSOCIATIONS TO PROMOTE PRIVATE ENTERPRISES INVOLVEMENT IN:

- 0 RURAL ASSOCIATIONS AND COOPERATIVES;
- 0 CONSENSUS-BUILDING ON POLICY ISSUES (DIALOGUE PLATFORMS); AND,
- 0 OTHER ACTIVITIES INCLUDING SHORT-TERM TRAINING AND THE DEVELOPMENT AND EXCHANGE OF INFORMATION IN PRODUCT MARKETING; NEW TECHNOLOGIES AND EQUIPMENT; APPROACHES TO DISEASE CONTROL; AND AGRICULTURAL PRODUCT HANDLING.

LOCAL ASSOCIATION ESTABLISHMENT WILL FOLLOW COUNTRY BRIEFING VISITS AND DISCUSSION INVOLVING AER, USAID MISSION, AND LOCAL PRIVATE SECTOR/ASSOCIATION REPRESENTATIVES. THE AER ANNUAL MEETING AND OTHER PROGRAM ACTIVITIES WILL PROVIDE NECESSARY FOLLOW-UP SUPPORT AS THE ASSOCIATIONS REACH SELF-SUFFICIENCY.

THE INITIAL VISITS WILL PRODUCE SEVERAL ADDITIONAL BENEFITS, INCLUDING:

- 0 INTRODUCTIONS TO LOCAL AER CHAPTER ORGANIZERS;
- 0 INITIAL TRAINING OF CHAPTER ORGANIZERS IN THE DRAFTING OF BY-LAWS AND OTHER STEPS REQUIRED TO ESTABLISH A CHAPTER; AND
- 0 BRIEFINGS WITH HOST GOVERNMENT AND OTHER QUASI-OFFICIAL ORGANIZATIONS.

THE AER LOCAL ASSOCIATION WILL ACT AS THE FOCAL POINT WITHIN A COUNTRY ON AGRO-FOOD ISSUES OF CONCERN TO AGRO-PROCESSORS AND OTHERS INVOLVED IN THE PRODUCTION, PROCESSING, STORAGE AND DISTRIBUTION OF AGRICULTURAL PRODUCTS. AER ASSOCIATIONS SHOULD ALSO BENEFIT USAID MISSIONS BY OFFERING USEFUL OUTREACH CHANNELS TO THE PRIVATE SECTOR AT MINIMAL COST, AND BY PROVIDING A MEANS OF CONTINUITY FOR DEVELOPING PRIVATE SECTOR INSTITUTIONS.

3. CURRENT STATUS OF AER CHAPTER DEVELOPMENT IN UGANDA

AER/W REPORTS THAT AN AER/W VISITS IN AUGUST AND NOVEMBER 1990 SPARKED FURTHER LOCAL INTEREST WITHIN THE AER/UGANDA ORGANIZING COMMITTEE. THE GROUP IS WELL BALANCED BETWEEN PUBLIC AND PRIVATE SECTOR INTERESTS AND INCLUDES PARTICIPATION FROM MAKERERE UNIVERSITY. THE COMMITTEE IS RE-WORKING THE BY-LAWS AS A STEP TOWARD FORMAL ACCREDITATION WITH AER/W, AND IS ACTIVELY ENCOURAGING OTHER AFRICAN AER FORMATION COMMITTEES IN TANZANIA, ZAMBIA, ZIMBABWE, BOTSWANA, GAMBIA, GHANA AND NIGERIA.

4. PURPOSE OF AER/W VISIT

AER VISITED UGANDA TWICE IN 1990 TO ASSIST LOCAL ORGANIZERS IN ESTABLISHING A LOCAL AER ASSOCIATION. THESE EFFORTS LED TO THE FORMAL ESTABLISHMENT OF AGRI-ENERGY ROUNDTABLE UGANDA ON FEBRUARY 20, 1991. THE ASSOCIATION IS BUILDING A BROAD, WELL-BALANCED MEMBERSHIP BETWEEN THE PUBLIC AND PRIVATE SECTOR--AND INCLUDES PARTICIPATION FROM MAKERERE UNIVERSITY. DEPUTY MINISTER OF INDUSTRY AND TECHNOLOGY, WANDIRA-KAZIBWE CHAIRS THE ASSOCIATION.

LOCAL AER ORGANIZERS AND MINISTER OF ANIMAL, INDUSTRY AND FISHERIES, DR. G.M. KAGONYERA, HAVE INVITED AER TO ASSIST THEM IN PLANNING FOR AN AGRO-INDUSTRY WORKSHOP ON AFRICAN AGRO-FOOD DEVELOPMENT. THE ORGANIZERS ARE PLANNING TO SEND INVITATIONS TO SELECTED AFR LOCAL ORGANIZERS IN OTHER

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AFRICAN COUNTRIES--AS WELL AS U.S. AGRIBUSINESS AND UNIVERSITY EXPERTS ON LIVESTOCK AND FISHERIES DEVELOPMENT.

AER/UGANDA IS ALSO REQUESTING MR. HOLLIS' ADVISORY ASSISTANCE ON SELECTING AN EXECUTIVE DIRECTOR, MANAGING THE ASSOCIATION, DEVELOPING A FUND RAISING PLAN, AND LAYING PLANS FOR A TWO-YEAR PROGRAM OF ACTIVITIES.

5. ACTION REQUESTED

FVA REQUESTS USAID/UGANDA CONCURRENCE IN A VISIT DURING JULY 24-29, 1991. THE VISIT WILL ENTAIL CONSULTATIONS BETWEEN MR. HOLLIS AND THE AER/UGANDA AND MISSION COURTESY CALLS BY MR. HOLLIS AT THE BEGINNING AND END OF THE TDY. PLEASE ADDRESS CONCURRENCE TO FVA/PPM, FOREST DUNCAN. YY

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AGRI ENERGY ROUNDTABLE UGANDA

Radiant House Plot 20 Kampala Road

P.O. Box 3874

Tel: 244546/257338/230430

Kampala, Uganda.

Fax: 041-256-235292

5th April, 1991

Hon. Jennings Rondolph,

I have the honour to inform you, Honourable Chairman, that with effect from 20 February 1991, the Agri Energy Roundtable - Uganda became operational upon government authorization through the Ministry of Internal Affairs. Again as follow-up to Mr. Nicholas Hollis, AER Executive Director's fine visits to Kampala reknown persons both in the private and public sectors have expressed keen interest to become members. At the same time, Honourable Chairman, AER - Uganda is expected to introduce into the country plans for improving Agro-industrial development, trade and investment opportunities, the exchange of agriculture and food development information, energy without excluding the transfer of technology to meet the rehabilitation and development needs of Uganda.

Beginning with 1986, Ugandans saw the return of peace and order to their country following several years of political unrest. Today, a considerable achievement along the road towards economic recovery has been possible with several projects/programmes in the pipeline requiring external financing. Road construction in rural settings, livestock and crop production show excellent signs of recovery at the same time we need support to refining the barter trade programme with external markets. Furthermore, government is committed to supporting plans involving foreign investment either public or private including training and information exchange between Universities within AER Outreach and Makerere University.

Following the return of cabinet ministers and other Ugandans from the International Agriculture Forums in 1988 and 1989 convened under the aegis of AER we were encouraged to institute in Uganda a programme affiliated to the AER parent Organisation.

We in government look at the 1990s as a decade of progress and prosperity and it is hoped that AER will provide Uganda with specific outlets towards achieving the objectives of the Rehabilitation and Development Plan set for 1987/88 - 1990/91.

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As the AER continues receiving a meritable recognition in Uganda and the International outreach, AER - Uganda requests the assistance of AER Parent Organization to convene an East African Conference in Kampala any dates between 18 and 29 November 1991.

I trust, Honourable Chairman, that the request will receive your due consideration and be able to revert positively to us. With kind regards we all look forward to receive your response.

Please accept, Honourable Chairman, the assurances of my highest consideration and esteem.

Yours sincerely,



Hon. Dr. S. Wandira-Kazibwe,
CHAIRPERSON, AER (UGANDA).

Hon. Jennings Rondolph,
Chairman Emeritus,
Agri-Energy Roundtable,
2550 M Street, NW
Washington DC 20037
U.S.A.

Uganda joins three others in Agri-Energy Roundtable

Uganda has become the fourth African nation to set up an Agri-Energy Roundtable (AER), it was announced at the end of June by the AER's Washington, D. C. office.

The AER is an independent agri-business trade association affiliated with The Agribusiness Council of the US. The Ugandan association is similar to those already set up in The Gambia, Kenya and Nigeria. The AER states in a press release that donor

agencies, including US AID, "have expressed interest in" assisting the Uganda association but notes that "to date" it has been financed solely by indigenous Ugandan supporters.

The Ugandan association is a non-governmental organisation that "will seek to organise indigenous agro-enterprise for increased agro-food trade and investment in 'food-systems' projects", according to an AER press release. AER Executive Director

Nicholas Hollis observes, "This newly launched agro-industry group . . . reflects the strong spirit of African self-help . . . as well as the importance of the private sector, in Africa's drive for food security."

The AER notes that it has been co-operating with the World Bank, the UN Development Programme and US AID for the past several years on a project to help streamline Third World agro-food systems.

One of AER Uganda's first activities will be to participate in an international livestock animal-health conference in Uganda 18-26 November this year, at the invitation of Ugandan Minister for Animal Health Industries & Fisheries G. M. Kaganyara. □

Sunday Nation

29/5/90

Sunday Nation Nairobi
May 27, 1990

Otieno: Help create jobs

By KIMANI wa MWANGI
The Minister for Industry, Mr Dalmis Otieno, yesterday appealed to local private sectors to invest more in their fields in order to enable the Government to meet the requirement of 14 million job opportunities by the year 2000.

He said in the modern wage sector, the Government can only manage to create 10 per cent of the demand, and by the end of this century demand for food will rise faster due to rapid growth of population and urbanization.

Mr Otieno said that foreign exchange limitations have continued to constrain the country's economy, "but the Government has initiated policy measures to meet the challenges of development.

He said the measures were contained in Sessional Paper No. 1 of 1986 and the current national development plan.

The Minister was speaking at the launching ceremony of the newly formed, Agri-Energy Round Table Kenya at the Nairobi's Hilton hotel.

The occasion was attended by two Permanent Secretaries, Mr Bethwel Kiplagat, (Foreign Affairs and International Co-operation) and Mr Wilfred Koinange (Industry). Mr Kiplagat is the chairman of the newly launched organisation. There were also diplomats from major donor countries; Norway, Germany, Austria, Russia, Finland and members of the United States Agency for International Development.

The Agri-Energy Round Table is an international non-governmental organisation accredited to the United Nations. Its major objective is to establish areas of potential resources and encourage greater dialogue on agricultural and energy development

Minister praises role played by the agricultural sector

The Minister for Industry, Mr Dalmis Otieno has said that agriculture is the mainstay of Kenyan economy as it employed over 70 per cent of the population and contributed 60 per cent of the export earnings of both processed and primary agricultural products.

He said that despite fluctuations in rainfall and acute droughts in some areas, there was encouraging performance in the agricultural sector, with a rise in its production to 4.4 per cent in 1988 from 3.8 per cent in 1987.

Mr Otieno said this on Friday when presiding over the launching ceremony of the agri-energy round table-Kenya at a Nairobi hotel. He added that the agricultural sector held the key to the overall growth of the Gross National Product (GNP) in Kenya.

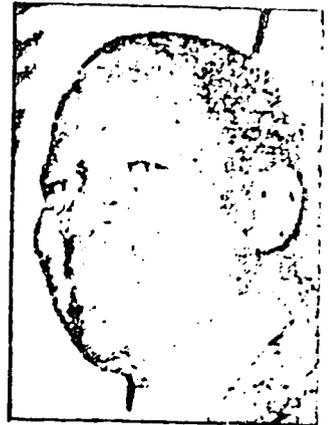
The Minister noted that the agri-energy round table-Kenya had helped a great deal in promotion of dialogue between agricultural and energy developments organisations and the promotion of the role of the private sector.

He said agriculture has provided the foundation for Kenya's industrial development since it availed the raw materials processed in the industries, which accounted for 65 per cent of the GNP from the manufacturing sector.

The Minister observed that the 1990s would present many challenges to Kenyans like unemployment, constraints in foreign exchange, population growth, production and investment constraints.

He said that about 14 million jobs would be needed in the year 2000, while the country's growth continued to be constrained by foreign exchange limitations.

Major efforts and policy measures had been designed by the government to meet these challenges, the Minister said, adding



Otieno: It is key to growth

that such measures had been clearly articulated in policy documents, including the current development plan.

He said that many donors including the World Bank and the United Nations Development Programme (UNDP) had supported the government's initiatives and supplemented government's efforts in development.

He noted with satisfaction that the agri-energy round table-Kenya had already held eight seminars to attract investment to the agri-business sector, a gesture that showed the table's support to the government.

Agri-energy round table-Kenya was registered in January 1990 and plans to hold seminars and symposiums, in its efforts to uplift the economy.

Present at the occasion were the chairman of the agri-energy round table-Kenya, Mr Bethwel Kiplagat, who is also the Permanent Secretary in the Ministry of Foreign Affairs and International Co-operation and the Permanent Secretary in the Ministry of Industry, Mr Wilfred Koinange.

Handwritten notes:
Dalmis Otieno
Minister for Industry

Daily Nation
Saturday, May 26, 1990

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THE GOVERNMENT OF THE GAMBIA

N
I
B



NATIONAL INVESTMENT BOARD

71 Hagan Street
Banjul

PRIVATE MAIL BAG

BANJUL

THE GAMBIA

TELEX: 2230 GV

TEL: 28332, 28168 FAX: 29220

NIB/221/Vol.1/(12)

30th October 1990

Mr Nicholas E. Hollis
Executive Director
Agri-Energy Roundtable, Inc.
2550 M Street, N.W.
Washington, D.C. 20037
U.S.A.

Dear Sir

ESTABLISHMENT OF AN AGRICULTURE-ENERGY ROUNDTABLE IN THE GAMBIA

We are pleased to inform you that a Gambian Chapter of your umbrella organisation was launched on 11th June 1990, under the auspices of The National Investment Board (NIB). The occasion took place under the distinguished chairmanship of Mr Omar A. Jallow, our Honourable Minister of Agriculture. The inaugural address was delivered by a representative of Mr Baihou K. Labally, The Gambia's Minister of Finance and Economic Affairs, who could not grace the occasion with his presence due to unforeseen circumstances. Participants at the meeting included representatives of horticulture enterprises, government and donor agencies.

We have, since the inauguration, succeeded in generating profiles on individual enterprises which registered interest in the Roundtable. Presently, we are desirous of following up achievement recorded so far with the drafting of constitution for the Chapter and hereby solicit your kind assistance in providing guidelines on the format and content of such an instrument.

We would keep you informed of developments in the organisation as activities unfold.

While anticipating a favourable response, at your earliest convenience, we remain

Yours faithfully

A.M. Touray
Chief Executive

cc: Secretary General
Office of The President
State House
Banjul

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D C 20523

ASSISTANT
ADMINISTRATOR

March 27, 1991

2530
Nicholas E. Hollis
Executive Director
Agri-Energy Roundtable
2250 M Street, N.W.
Washington, D.C. 20037

Dear Nick:

On March 21, 1991, Don McClelland of my staff chaired a constructive inter-bureau session to discuss the Agri-Energy Roundtable (AER) and its role in promoting a network of agri-business trade associations in developing countries.

I am pleased to report that the initial feed back has been positive. The group apparently felt that agri-business is an important component to A.I.D.'s agricultural strategy; that trade association networks could play a vital role in strengthening private sector interests in developing countries; and that AER under your leadership appears to be making positive inroads toward developing a network of agri-business associations in a number of countries worldwide that hopefully will establish productive links with U.S. agri-business.

The group concluded that the inter-bureau session was constructive, and plans to meet again to discuss the matter further. As the process proceeds over the next month, detailed information will be available from the regional bureaus.

Sincerely,



Reginald J. Brown
Bureau for Program
and Policy Coordination

February 5, 1991

INFORMATION MEMORANDUM FOR AA/PPC, Reginald Brown

FROM: AAA/PPC/PDPR, Robert Kelly *RK*

SUBJECT: Agri-Energy Roundtable (AER)

You asked us to coordinate an informal meeting with ~~the~~ representatives from the geographic bureaus to discuss the Agri-Energy Roundtable. We plan to hold that meeting in the next week or two and to invite Nick Hollis to give a brief presentation on the work of the organization. In order to provide a common point of departure, we have pulled together the following summary information.

1. AER is a non-profit, NGO that is accredited by the United Nations. It has existed since 1980. Since its inception, Nick Hollis has been its Executive Director. Former Senator Jennings Randolph was its Chairman for several years and continues to show interest in the organization. AER enjoys substantial political support, and has received letters of endorsement from then-Vice President Bush (1986 and 1987) and the White House (1990). A.I.D. (Edelman, Christensen, and Lewis) received letters supporting AER from Senators Dole, Hatfield, and Kasten in 1990. We have received similar letters from Senators Inouye and Bird and Congressmen Burdick and Staggers. AER publicizes this political support, apparently to encourage additional or continuing financial support from A.I.D. and perhaps other sources.
2. AER's raison d'etre is to sponsor conferences, seminars, workshops, public fora, networks, international contacts, and meetings, many of them outside the U.S. The purpose of these "meetings" is to bring technology to agri-businesses in the developing countries. AER believes that by bringing the right people (typically, local businessmen) together for fruitful dialogue that agri-business development will result or at least be encouraged.
3. Throughout its 10 year history AER has supported approximately two dozen conferences as well as a number of trade missions and smaller workshops. A year-by-year summary of meetings and other activities sponsored by AER

was printed in the Congressional Record (March 8, 1990), and this provides as good an indicator as any of what AER has accomplished from 1980-89. It is very difficult to evaluate the performance or measure the impact of AER beyond stating the obvious: AER has sponsored numerous meetings that have been well attended and that have received considerable press coverage. This raises the question of whether or not some kind of evaluation or assessment of AER's work over the past 10 years is appropriate.

4. More recently (perhaps around 1988), AER began to organize "agri-business trade associations" in the developing countries. As of September 1990, associations had been formally established in four countries (India, the Philippines, Kenya, and Nigeria). AER had initiated activities designed to encourage the establishment of such associations in six other countries (Sri Lanka, The Gambia, Dominican Republic, Indonesia, Jamaica, and Uganda). These associations are supposed to be financially self-sustaining, operating from dues of their members. The U.S. affiliate of AER is the Agribusiness Council. These associations remain affiliates of AER as long as they pay annual dues of \$2,500 to AER.
5. AER apparently receives most of its funding from private corporations and foundations; but it also receives financial support from various U.N. entities including the World Bank and from the USG (A.I.D.). FVA is currently providing modest funding to AER: \$25,000 per year for 2 years (FY 1990-91). AA/S&T provided \$100,000 in FY 1990 from his Small Activities Fund to help support AER's Annual Conference in Geneva. AER requested funds from PRE in July 1990 (\$100,000 per year for 2 years) to support the Washington-based Agribusiness Council; this proposal was viewed as premature because PRE had not yet completed the process of determining how it could best support agri-business activities.
6. AER has prepared a workplan for the period January - October 1991, describing the activities that will be undertaken under FVA's FY 1991 grant. The plan indicates that associations are to be formally established in five countries: Kenya, Uganda, Costa Rica, Jamaica, and Dominican Republic. The purpose of these indigenously supported agri-business associations is to stimulate international agricultural trade and development. This will happen, it is believed, (a) by virtue of the fact that these organizations have been established; and (b) through increased information dissemination stimulated by meetings of these organizations.

that PPC provide a grant to AER to:
strengthen and expand its support for
(which appears to be the purpose of
(b) assist USAID missions "buy-in" to
AER. AER has also proposed that PPC
inter-bureau committee that had been
AER activities a year or so ago; the
committee would be to provide more
information, evaluate AER experience, and
prior initiatives.

Agri-business and the development of
relations seems to be congruent with
new initiatives: (a) the partnership
development; (b) support for emerging
often is enhanced by the development of
relations; and (c) assistance to advanced
and Eastern Europe and the USSR. At
graphic bureaus (AFR/MDI and ENE) have
providing support to agri-business

McClelland:2/5/91:9632R

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AGRI-ENERGY ROUNDTABLE

Tanzania Food and Nutrition Centre,
P.O. Box 977,
DAR ES SALAAM,
TANZANIA.
Tel. 41260 "11811"
FAX 255-51-28951

Mr Nicholas E. Hollis
Executive Director
Agri-Energy Round Table
2550 M Street N.W.
WASHINGTON DC. 20037

TELEFAX 2021 887-9170

Dear Mr. Hollis,

Re: AGR PROGRESS IN EAST AFRICA

I would like to take this opportunity to express my deep appreciation for your endless efforts in communicating to us valuable information intended for the sound formation of an independent Agri-business Association in Tanzania.

Admittedly our responses to your tireless efforts on the subject matter in question have been somehow slow, I do apologise for that.

However, I would like to assure you that despite of our sluggishness, we are totally committed to the common goal of forming our Agri-Energy Association.

As you will recall that during our first meeting here in Dar es Salaam, a Task Force of three members was appointed and entrusted with the responsibility of carrying out groundwork relevant to the formation of the Association. The roles of this task force included:

- (i) Collection/compilation of all basic information about AFR.
- (ii) Review non-Governmental Organisations (NGO's) in the country to ascertain the primary objectives and roles.
- (iii) Consultation with the various ministries, public/private organisations/firms with the purpose of creating answers and interest towards AFR.

- (iv) Initial preparation of the constitution.
- (v) Identifying potential founder members (and soliciting for the signatures) from the various ministries, institutions, public and private firms.
- (vi) Calling the first meeting of the founder members.
- (vii) Establishment of communication with AFR - Washington.

Since its inception today, the Task Force has been diligently trying to implement most of its roles indicated above.

Currently a list of 100 founder members from various ministries, institutions and firms has been compiled. At the same time a steering committee has been formed to oversee the various preliminary activities leading to the registration of the association.

However, we are grateful to learn through you about the East African Conference planned to take place in Kampala, Uganda on the 24th - 27th November, 1991.

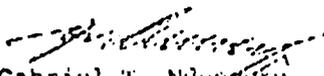
We thank you a lot for the invitation extended to us, though we might appear to be late in responding to the invitation.

I would personally like to attend the conference and have the opportunity of sharing experiences with other colleagues about AFR. As per your suggestion I also wish to nominate the following officials for conference:

1. Mr. D.D. Ketebe - Secretary of the Task Force
2. Mr. G. Batholomew - Member of the Task Force

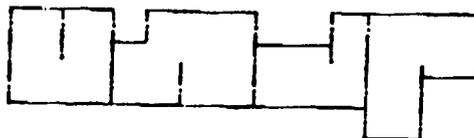
Further travel and living expenses while in Uganda will be a problem to us. I will also try to contact UNDP here in Dar es Salaam for assistance as per your advice.

Yours sincerely,


Gabriel T. Ndunguru
CHAIRMAN - AFR - TASK FORCE

c.c. Resident Representative,
UNDP,
Dar es Salaam.

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Addis Ababa
(Ethiopia)

P.O.Box 5580
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15-75-02 RR
51-59-17 DRR (Prog.)
51-04-43 DRR (Admin.)

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REFERENCE: 1269/91 DATE: 13/11/91 No. of Pages One File PRO/300/UNDP
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TO: Nicholas E. Hollis
Agri-Energy Roundtable (AER)
2550 M Street, N.W.
Washington, D.C. 20037

FROM: Peter Manoranjan
UNIDO Country Director
Addis Ababa, Ethiopia

FAX No. (202) 887-9178

MESSAGE

Subject: Aero-Industry Association Development-Ethiopia

We refer to your letter of 31 July, addressed to Mr. Painter, Resident Representative, UNDP, Ethiopia, on the above subject. High priority and urgency are attached to the development of agro-industries. We have contacted the Ministry of Industry, who nominates the following persons to participate in the Kampala Workshop (25-27 November 1991). The Ministry also welcomes the proposition of establishing local Ethiopian AER.

1. Mrs. Tsige Ikubemikael, Owner of Honey Processing Plant Addis Ababa.
2. Dr. Gulelat Kebede, Head, Planning Research and Statistics Dept., Pvt. Sector, Ministry of Industry.

The nominations have been received rather late. I hope you would still be able to invite them to participate in the Workshop.

With best regards.

Account: UCD Office
(Indicate Agency, Project No. Budget
Line where required)

Authorized by:

Signature:

Name:

Peter Manoranjan

Title: UNIDO Country Director

EXCERPT FROM UNIDO/ECA/OAU AFRICAN MINISTERS
OF INDUSTRY CONFERENCE, HELD AT HARARE MAY 29-JUNE 1, 1989

122. Inadequate commercial energy supplies had also posed severe constraints on the industrialization process in Africa. The region, however, had become aware of the critical constraint that inadequate energy supplies posed for the continent's aspirations and plans for rapid industrial, economic and social advancement, as evidenced by the various resolutions on the subject adopted at various international conferences in the region - in particular, the proposed establishment of an African energy commission. For its part, ARCT had, from its very inception, concentrated its efforts on food and energy technologies, and a brief description was given of its activities which did not duplicate those of ARCEDEM. He acknowledged the support it had received from international organizations and many bilateral, bilateral and multilateral agencies.

123. An essential component in the process of industrialization was the commercialization of research and development results, while the failure of imported technologies to stimulate development stemmed from the absence of adequate local technological capabilities. It was for that reason that Africa had established training and research institutions whose technical innovations had only enjoyed limited commercial application for want of appropriate links with entrepreneurs. The region also had to achieve a more systematic understanding and control of its energy systems and their development. The representative of ARCT suggested that an appropriate institutional framework should be set up comprising national energy commissions linked to subregional and regional commissions. The national commission would draw up comprehensive national energy policies and plans and pave the way for effective integration in energy research, training, information, infrastructure and technology. The careful management of the political, technological and economic implications of energy would also help to overcome the constraints upon industrial development posed by inadequate energy supplies.

Agri-Energy Roundtable

124. The representative of Agri-Energy Roundtable described the contribution that a non-profit, non-governmental organization accredited to the United Nations could make. It sought to link different agro-food sectors with Government research and donor agencies. In more than 50 programmes, the organization had adopted a catalytic role promoting new technologies, such as biogenetic engineering techniques for drought-resistant crops or the promotion of dialogue on problems such as finance and third world debt. It was particularly concerned with such factors as the impact of energy on the food chain and the implications of the new technology-driven agro-industrial revolution, as well as the commercial potential offered by non-food and non-feed industrial applications of agricultural commodities in a period of falling prices. The organization sought partners in African countries interested in establishing agro-industry associations that could fit in with the global network it had set up.

Commonwealth Secretariat

125. The Director of the Industrial Department of the Commonwealth Secretariat expounded on the reference in the mid-term evaluation report of the IDDA to the assistance provided by the Secretariat. A major portion of that